

NUCLEAR MARKET REVIEW

The Source for Uranium Prices & Industry News Since 1968

A TradeTech publication

<http://www.uranium.info>

The Market

MARKET WATCH

U₃O₈ Weekly Spot Price Indicator

\$59.90

US\$/lb U₃O₈ equivalent

▲ Up \$0.65

U₃O₈ Transaction Value *

\$47.40

U₃O₈ Mid-Term Price Indicator *

\$56.00

U₃O₈ Long-Term Price Indicator *

\$62.00

* US\$/lb U₃O₈ equivalent
As of October 31, 2010

The Market This Week . . .

- Two transactions in the spot uranium market.
- Three transactions in the uranium term market.
- Two transactions in the conversion market.
- No transactions or new demand in the enrichment term market.

200 thousand pounds U₃O₈ for 2012 delivery. The buyer received a very limited response to its request and is evaluating its options. Only two transactions are reported this week, totaling less than 200 thousand pounds U₃O₈. TradeTech's Uranium Spot Price Indicator is \$59.90 per pound U₃O₈, up \$0.65 from last week's value.

Three transactions are reported in the term market this week. A US utility, evaluating offers for just over 500 thousand pounds U₃O₈ equivalent for delivery over a five-year period, has

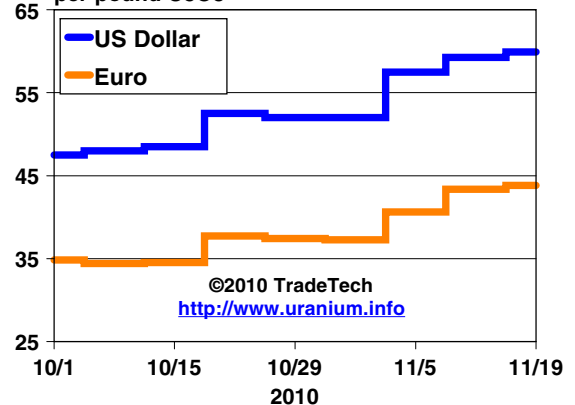
Uranium

The uranium spot price moved upward again this week, but still failed to break through the \$60.00 price barrier. Spot uranium supplies are extremely thin with few sellers willing to extend offers at fixed prices, particularly for delivery beyond year-end. Buyers have shown a willingness to pay slightly higher prices

over the past week, but the significant jump in prices over the last several weeks has caused a number of buyers to retreat from the market. One new buyer did emerge this week seeking 200 thousand pounds U₃O₈ for delivery in 2011, and another

TradeTech's US offices will be closed November 25-26, in observance of the US Thanksgiving holiday. An abbreviated issue of the *Nuclear Market Review* will be published Friday, November 26.

TradeTech U₃O₈ Weekly Spot Price Indicator
per pound U₃O₈



The Market

selected a preferred supplier. One US utility, seeking up to 2.2 million pounds U₃O₈ for delivery between 2013 and 2019, has completed its evaluation and is negotiating contract terms with preferred suppliers. One utility is evaluating offers for up to 975 thousand pounds U₃O₈ equivalent to be delivered between 2012 and 2014, and up to 1.5 million pounds U₃O₈ equivalent for delivery between 2015 and 2018. Another utility is seeking up to 1 million pounds U₃O₈ for delivery in the 2012-2016 period, and another 2.5 million pounds U₃O₈ for delivery between 2017 and 2021. One utility is seeking offers for deliveries beginning in 2012. Offers are due next week to a non-US utility seeking offers for long-term deliveries beginning in 2015 and beyond.

Conversion

One spot transaction was reported this week involving 100 tU of conversion for delivery at year-end. Also, one utility selected a supplier for the delivery of about 200 tU of conversion contained in UF₆ for delivery over a six-year period. Several other utilities continue to evaluate offers for conversion or conversion services contained in UF₆.

One US utility is evaluating offers for nearly 400 tU of conversion or conversion contained in UF₆ to be delivered between 2012 and 2014, and for almost 600 tU of conversion or conversion contained in UF₆ for delivery in 2015-2018. One non-US utility is looking to purchase over 400 tU of conversion for delivery in 2011. One non-US entity has requested offers for 100 tU of conversion contained in UF₆. Another US utility is seeking 200 tU for delivery in 2011-2012, and up to 425 tU of conversion or conversion contained in UF₆ for delivery in 2015 and beyond. One non-US utility is evaluating offers for 1,700 tU of conversion for delivery between 2010 and 2014.

Enrichment

The enrichment market was quiet this week with no new activity reported. One utility is seeking a total of approximately 100 thousand SWU. A number of other utilities remain in the market seeking offers for spot SWU purchases. One utility is seeking 400 thousand SWU for delivery beginning in 2011, while another utility awaits offers for long-term enrichment supply.

Events

Nov 23-25

China Int'l Nuclear Symposium
Grand Hyatt Hotel
Beijing, China
<http://www.wna-symposium.org/china/index.html>

Nov 25

Nuclear New Build Forum
Radisson Blu Portman
London, UK
<http://marketforce.eu.com/Conferences/newbuild10/>

Dec 5-10

NWMA 2010 Annual Meeting, Exposition, and Short Courses
Spokane Convention Center
Spokane, Washington, USA
<http://www.nwma.org>

Dec 7-8

Nuclear Energy in Asia 2010
Regal Kowloon Hotel
Hong Kong, China
<http://www.nuclearenergyasia.com/Event.aspx?id=355856>

Jan 26, 2011

Nuclear Fuel Supply Forum
W Washington DC Hotel
Washington, DC, USA
<http://www.nei.org/newsandevents/conferencesandmeetings>

Feb 7-10, 2011

Mining Indaba
Cape Town Int'l Convention Centre
Cape Town, South Africa
<http://www.miningindaba.com>

Feb 16-18, 2011

Platts 7th Annual Nuclear Energy
Marriott Bethesda North
Bethesda, Maryland, USA
<http://www.platts.com/ConferenceDetail/2011/pc109/index>

For more events, visit:
<http://www.uranium.info>

The News

URI's NRC License Upheld as Supreme Court Denies Petition

The US Supreme Court has denied a petition to review an earlier ruling by the 10th Circuit Court of Appeals that upheld Uranium Resources Inc.'s (URI) US Nuclear Regulatory Commission (NRC) license to conduct *in-situ* recovery uranium mining at its Churchrock/Crownpoint projects in New Mexico.

URI's feasibility study is underway and the company filed documents with the NRC in October to reactivate its license. The feasibility study is expected to be completed by the end of 2011 and "assuming that the NRC license renewal moves forward in a timely manner, that appropriate financing is available and that there is a sustained recovery in the price of uranium, the company should be in a position to begin construction of facilities in 2012 and producing in 2013," a November 15 URI statement said.

The NRC license allows for the production of up to an initial 1 million pounds U₃O₈ per year from the Churchrock/Crownpoint projects until a successful commercial demonstration of restoration is made, after which production can be increased to 3 million pounds U₃O₈ annually. The Churchrock/Crownpoint projects hold proven reserves of 18.6 million and 15.3 million pounds U₃O₈, respectively, according to URI.

UEC Begins Production at Palangana ISR Project

Uranium Energy Corp. (UEC) has started production at its Palangana *in-situ* recovery (ISR) uranium project in South Texas—the first new ISR uranium mine in the USA in five years.

Phase 1 of the Production Area 1 (PAA-1) wellfield is operating with 30 injection wells and 15 production wells on line, with each being brought gradually up to maximum flow rates of about 50 gallons per minute.

Phases II and III of the PAA-1 wellfield each will contain 45 production and injection wells. Phase II wells have been completed and are targeted to commence mining in the first quarter of 2011. Installation of Phase III wells is underway and are expected to begin producing during the second quarter of 2011.

UEC's next milestone will be regular deliveries of uranium-loaded resin beads to its Hobson processing plant in South Texas, which are scheduled to begin before the end of November. Shortly thereafter, the company will be marketing and delivering U₃O₈. UEC expects to start production at its Goliad ISR project, also in South Texas, next year.

CNNC to Increase Overseas Uranium Production

The overseas arm of China National Nuclear Corp. (CNNC) expects to produce its first uranium this year and to raise production to 2,500 tonnes (6.5 million pounds U₃O₈) by 2015, according to a November 16 Reuters report.

Chen Yuehui, deputy general manager of China Uranium Corp., a division of CNNC, said the Azelik mine in Niger, in which China Uranium Corp. owns 37.2 percent, is expected to start trial production before year-end. China Uranium Corp. plans to increase production to 4,000-5,000 tonnes (10.4-13 million pounds U₃O₈) by 2015.

Uranium One Posts Record 3rd Quarter Sales & Production

Uranium One Inc. achieved record quarterly sales of 1.7 million pounds U₃O₈, production of 1.7 million pounds U₃O₈, and a decrease in total cash costs at its operations to US\$12 per pound sold during the third quarter of 2010.

The company has contracts to sell 24 million attributable pounds U₃O₈, including 5 million pounds to be sold at an average fixed price of \$66 per pound and 12 million pounds contracted with weighted average floor prices of about \$48 per pound, according to a November 15 statement.

The News

NYNCO Blended Financial Value

\$56.87

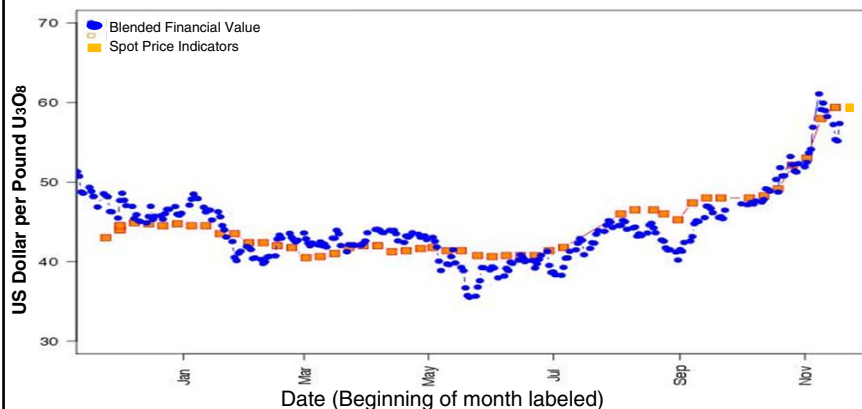
US\$/lb U₃O₈ equivalent *

▼ **Down \$0.49****

* as of 11/19/10

** from previous day's close as published by New York Nuclear Corp.

Blended Financial Value and Spot Price Indicators through November 19, 2010



BFV Source: Uranium OnLine - Last Indicator: TradeTech Only

STOCK WATCH

11-19-10

Closing Price ¹

Company	Closing Price	Change	% Change	Value
AREVA (PSE:CEI)	E344.45	▼ Dwn	0.9%	E3.20 ²
Bannerman Resources Ltd. (ASX:BMN)	A\$0.57	▼ Dwn	13.6%	\$0.09
BHP Billiton Ltd. (ASX:BHP)	A\$43.61	▼ Dwn	1.6%	\$0.69
Cameco Corp. (TSX:CCO)	C\$36.02	▼ Dwn	0.7%	\$0.26
Denison Mines (TSX:DML)	C\$2.61	▼ Dwn	2.6%	\$0.07
Energy Fuels Inc. (TSX:EFR)	C\$0.63	▼ Dwn	7.4%	\$0.05
Energy Resources of Australia (ASX:ERA)	A\$11.26	▼ Dwn	3.2%	\$0.37
First Uranium Corp. (TSX:FIU)	C\$1.07	▼ Dwn	6.1%	\$0.07
Niger Uranium Ltd. (LSE:URU)	p7.75	▲ Up	14.8%	p1.00
Paladin Energy Ltd. (ASX:PDN)	A\$4.62	▼ Dwn	4.3%	\$0.21
Pele Mountain Resources Inc. (TSX:GEM)	C\$0.275	◆ No Chg	0.0%	\$0.00
Powertech Uranium Corp. (TSX:PWE)	C\$0.38	▼ Dwn	9.5%	\$0.04
Rio Tinto plc (LSE:RIO.L)	p4,230.00	▼ Dwn	1.9%	p84.00
Strathmore Minerals Corp. (TSX:STM)	C\$1.08	◆ No Chg	0.0%	\$0.00
Toro Energy Limited (ASX:TOE)	A\$0.155	▼ Dwn	11.4%	\$0.02
Ur-Energy Inc. (NYSE-Alt:URG)	US\$1.73	▲ Up	10.9%	\$0.17
Uranerz Energy Corp. (NYSE-Alt:URZ)	US\$3.20	▲ Up	12.3%	\$0.35
Uranium Energy Corp. (NYSE-Alt:UEC)	US\$6.04	▲ Up	17.3%	\$0.89
Uranium One Inc. (TSX:UUU)	C\$4.78	▼ Dwn	0.2%	\$0.01
Uranium Participation Corp. (TSX:U)	C\$7.88	▼ Dwn	1.5%	\$0.12
Uranium Resources Inc. (NASDAQ:URRE)	US\$2.49	▼ Dwn	6.4%	\$0.17
USEC, Inc. (NYSE:USU)	US\$5.43	▼ Dwn	4.1%	\$0.23
WildHorse Energy (ASX:WHE)	A\$0.315	▼ Dwn	6.0%	\$0.02

¹ Stock Watch represents a random sample of nuclear and uranium industry companies traded publicly. Closing prices are gathered from sources believed to be accurate. TradeTech assumes no legal liability or responsibility for the accuracy of this information.

² Percent and value change from previous Friday's closing price.

Financial News . . .

Denison Mines Corp. has agreed to sell 25 million special warrants at C\$2.45 (US\$2.40) per warrant for total proceeds of \$61.25 million (US\$60.1 million), and 1.4 million flow-through special warrants at \$3.00 (US\$2.90) per warrant for total proceeds of \$4.2 million (US\$4.1 million).

The company plans to use the proceeds of the non-flow through offering to develop its uranium properties, for working capital, and for general corporate purposes. Proceeds from the flow-through offering will be used to incur eligible Canadian exploration expenses for purposes of the Income Tax Act (Canada).

First Uranium Corp. posted a wider-than-expected quarterly loss largely due to lower profits from operations along with higher stock-based compensation and the US\$1.4 million impairment of the two uranium plant loading columns.

For its second quarter ended September 30, First Uranium reported a loss of \$21.9 million, or \$0.12 per share, compared with a loss of \$18.4 million or \$0.11 per share a year earlier. However, revenue from the company's Ezulwini mine in South Africa nearly tripled to \$18.6 million.

The company noted that general, consulting and administration expenses decreased 11% compared to the previous quarter as cost reductions were implemented during the quarter. Further reductions are anticipated in the third quarter ending on December 31, 2010.

The News

Financial News . . .

AIM-listed uranium explorer **Uranium Resources plc** has raised approximately £900,000 (US\$1.4 million) (before expenses) through a subscription of 35.25 million new ordinary shares of 0.1 pence each at a price of about 2.55 pence per ordinary share. The placement has been subscribed to by Uranium Resources' major shareholder and strategic investor Estes Limited and a number of new investors.

The company, which has completed its 2010 drilling campaign, is waiting for assay results from independent laboratories and has approximate cash resources of £100,000 (US\$159,600). Proceeds of the placement will be used for general working capital. Uranium Resources holds uranium licenses in the Karoo Basin in Southern Tanzania.

Uranium One Inc. posted a net loss of US\$10.2 million, or \$0.02 per share, for its third quarter ended September 30, compared to a net loss of \$11.9 million, or \$0.03 per share, in the same period last year.

The company recorded revenue of \$73.1 million in the third quarter—243% higher than revenue of \$21.3 million in the third quarter of 2009, primarily due to sales volume increasing by nearly 1.3 million pounds U₃O₈ (302% higher than in the third quarter of 2009) partially offset by a 14% decrease in the average realized uranium price in the current year's third quarter. ([Full story on p. 3](#))

Uranium One cont'd . . .

In 2011 and 2012, Uranium One expects to sell approximately 9.5 million and 12 million attributable pounds, respectively, from its interests in uranium mines in Kazakhstan and Australia, as well as its properties in Wyoming's Powder River Basin.

The company kept its production guidance for this year at 7 million pounds U₃O₈ and set its forecasts for 2011 and 2012 at 10.5 million pounds and 12.5 million pounds, respectively.

ARMZ Transaction on Track for Completion This Year

Uranium One expects to complete its transaction with Russia's Atomredmetzoloto (ARMZ) before year end, once regulatory approval is granted by the US Nuclear Regulatory Commission, which is expected by the end of November.

On initial closing of the transaction Uranium One will issue 178 million new common shares to ARMZ for US\$610 million in cash, after which a special dividend of \$1.06 per share will be paid to all shareholders other than ARMZ; on the final closing, Uranium One will issue a further 178 million common shares to ARMZ in exchange for its joint venture interests in Akbastau and Zarechnoye uranium projects in Kazakhstan.

The company expects its share from the Akbastau mine in 2011 to be 1.2 million pounds U₃O₈, while its share from Zarechnoye will be 1 million pounds U₃O₈.

Indian Oil to Invest \$211M in Rajasthan Nuclear Station

Indian Oil Corp. will invest 9.61 billion rupees (US\$210.8 million) in two reactors being built jointly with Nuclear Power Corp. of India Ltd., Bloomberg reported on November 18.

The nation's largest oil refiner will acquire a 26 percent share in the Rajasthan nuclear station and has the option to raise its ownership to 49 percent, according to a government statement.

The Rajasthan station opened in 1973, and today has six PHWRs in operation. Units 7 and 8, both 700 MWe PHWRs, are under construction at a cost of 123.2 billion rupees (US\$2.7 billion) and are scheduled for completion in 2016.

Energy Fuels Submits Final Responses for Piñon Ridge Mill Application

Energy Fuels Inc. has submitted the last set of responses to technical review comments and questions posed by Radiation Program officials of the Colorado Department of Public Health and Environment for its Piñon Ridge uranium and vanadium mill near Naturita, Colorado.

The Radiation Program must issue a draft decision on the company's Radioactive Material License application by January 17, 2011. Once the draft decision is reached, a 60-day public comment period will occur after which the

The News

Radiation Program will make its final decision. This license is the primary permit needed for mill construction and operation in Colorado.

“A positive decision from the State would represent the first uranium mill permitted in the United States in 30 years and will enable Energy Fuels to continue the aggressive pursuit of our consolidation and development plan for the historic Uravan Mineral Belt uranium/vanadium district,” said President and CEO Stephen P. Antony.

URENCO Appoints Bowen as Managing Director for UK Facility

URENCO has appointed Simon Bowen as managing director for its UK facility at Capenhurst.

Bowen will succeed Dr. Paul Harding who will assume a new position as executive director, commercial at the group's head office in Buckinghamshire, England. Bowen will join URENCO on November 22, and officially assume his managing director role on February 1, 2011. Bowen has held various positions within the energy sector; spending 15 years with BP in various roles from Project Engineer through to a vice president role in the Petrochemicals arm of BP.

EDF Delays US Nuclear Expansion Plans

Electricité de France (EDF) has decided to postpone its plan to develop US nuclear plants while domestic plant availability

improved at the lower-end of a targeted pace, Bloomberg reported on November 15.

“When we have a better visibility on the regulatory environment and price evolution, we will be in a better position to see whether we go ahead with US projects,” said EDF CFO Thomas Piquemal.

In October, EDF paid about US\$249 million to buy out Constellation Energy from a venture to develop EPRs in the USA. EDF will search for a new “industrial partner” for the venture it had with Constellation and push for a loan guarantee for the reactor, Piquemal said. Constellation previously withdrew from talks with the US government on a federal loan guarantee for a new reactor at the Calvert Cliffs nuclear station in Maryland.

Missouri Plans for Second Nuclear Plant

Missouri Governor Jay Nixon announced today he is pushing for legislation to help build a second nuclear plant in central Missouri.

The proposal would reportedly allow utilities to charge customers for the cost of applying for a US Nuclear Regulatory Commission Early Site Permit (ESP) for a possible new plant. Currently, state law does not allow utilities to bill their customers for the cost of building new power plants until the facility is online. Nixon said the ESP application process would cost about US\$40 million and customers would pay an extra \$1-\$2 per year.

Nixon announced that a consortium of Missouri electric utilities planned to seek regulatory approval from the NRC for a new plant site. The utilities, including Ameren Missouri, the Association of Missouri Electric Cooperatives, Kansas City Power & Light, and the Missouri Public Utility Alliance, have not decided whether to build the second plant but want the option. Should they pursue the plant, it would be built at Ameren Missouri's Callaway County location where the state's only existing nuclear plant (1,190 MWe PWR) is located.

UK Resolves Issues with EPR Control Systems

The British Nuclear Regulator (HSE) has stated in a joint letter to AREVA and Electricité de France (EDF) that both companies have “addressed satisfactorily” its concerns regarding the EPR reactor's digital Instrumentation and Control system.

The letter was issued as part of the UK's Generic Design Assessment for the EPR, which is expected to be completed by June 2011, according to the HSE.

EDF and AREVA, which hope to build an EPR in Britain by 2018 and export the technology worldwide, welcomed the HSE's downgrade of its approval blocking Regulatory Issue to a Regulatory Observation. “This decision by the UK safety authority is very good news for the EPR. The control and instrumentation issue was, and is, one of the most sensitive in terms of nuclear safety and was vital to resolve,” EDF Energy CEO Vincent de Rivaz stated.

Uranium Market Data

Monthly Market Values

NUEXCO Values	10/31/10	Units
Exchange Value	\$52.00	US\$ / lb U ₃ O ₈
UF₆ Value	\$149.00	US\$ / kgU as UF ₆
Loan Rate	2.50	Percent / annum
Conversion Value		
• North American	\$13.00	US\$ / kgU as UF ₆
• European	\$12.00	US\$ / kgU as UF ₆
SWU Value		
• Unrestricted	\$155.00	US\$ / SWU
• Restricted	\$155.00	US\$ / SWU
Transaction Value	\$47.40	US\$ / lb U ₃ O ₈
Mid-Term U₃O₈	\$56.00	US\$ / lb U ₃ O ₈
Long-Term U₃O₈	\$62.00	US\$ / lb U ₃ O ₈
Long-Term Conversion		
• North American	\$13.00	US\$ / kgU as UF ₆
• European	\$13.00	US\$ / kgU as UF ₆
Long-Term SWU	\$160.00	US\$ / SWU

DEFINITIONS*

TradeTech's **Exchange Value**, **UF₆ Value**, **Conversion Values** and **SWU Values** reflect the company's judgment of the price at which spot and near-term transactions for significant quantities of natural uranium concentrates (U₃O₈), natural uranium hexafluoride (UF₆), or conversion or enrichment services could be concluded as of the last day of the month. The **Loan Rate** is TradeTech's judgment of the annual interest rate at which uranium loans could be concluded as of the last day of the month. The **Transaction Value** is a weighted average price of recent natural uranium sales transactions. The **Mid-Term U₃O₈ Price Indicator** is our judgment of the base price at which transactions for mid-term or intermediate delivery of natural uranium concentrates could be concluded as of the last day of the month, for transactions in which the price at the time of delivery would be an escalation of the base price from a previous point in time. The **Long-Term Price Indicators for U₃O₈, Conversion, or SWU** are TradeTech's judgment of the base price at which transactions for long-term delivery of that product or service could be concluded as of the last day of the month, for transactions in which the price at the time of delivery would be an escalation of the base price from a previous point in time. The **U₃O₈ Weekly Spot Price Indicator** is our judgment of the price at which spot transactions for significant quantities of natural uranium concentrates could be concluded as of the end of each Friday.

The **Restricted SWU Value** applies to all services delivered in the United States and European Union. The **Unrestricted SWU Value** applies to all enrichment services delivered outside the United States and European Union.

All **Market Values** are expressed in US\$ and are based on:

- Data from recently completed transactions.
- Data from pending transactions.
- Firm bids to buy or borrow, and firm offers to sell or lend.
- Prices purchasers or rates borrowers have expressed a willingness to pay, but for which we are not aware of firm bids to buy or borrow and prices sellers or rates lenders have expressed a willingness to accept, but for which we are not aware of firm offers to sell or lend.

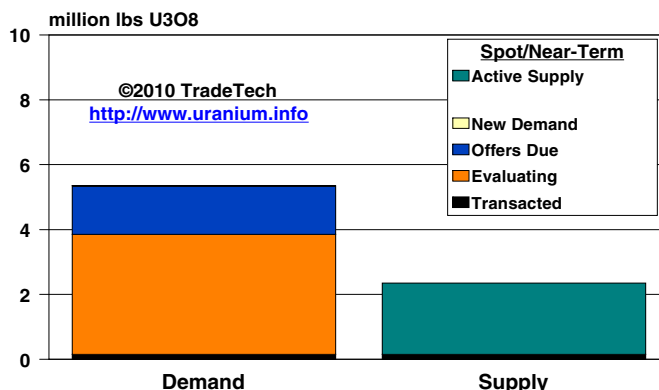
In the determination of all Market Values, we do not consider:

- Prices associated with deliveries under old or renegotiated contracts, or other than arm's-length transactions.
- Charges for transportation other than that customarily provided by suppliers.
- Prices of services or materials delivered under long-term contracts with primary suppliers.

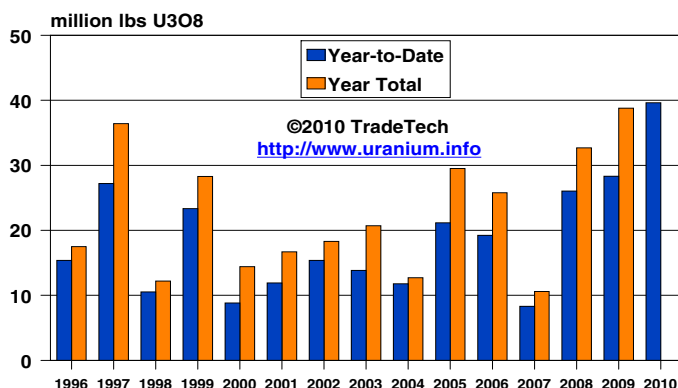
* Complete definitions, including derivations and comments, can be found on our Web site at: <http://www.uranium.info>.

■ All rights to the names NUEXCO Market Values; NUEXCO Exchange Value, NUEXCO UF₆ Value; NUEXCO Conversion Value, NUEXCO SWU Value and NUEXCO Loan Rate are the property of TradeTech, LLC, Denver, Colorado, USA.

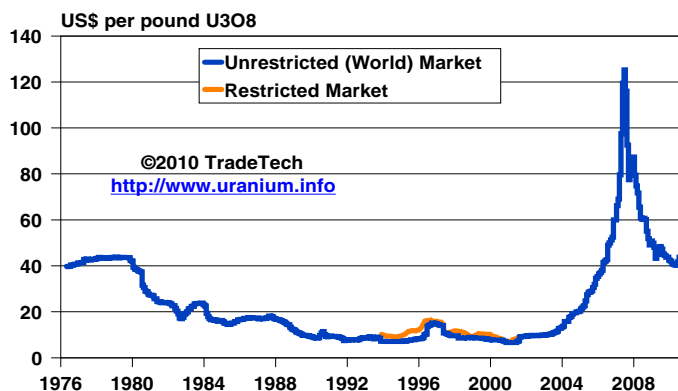
Uranium Market Activity



Uranium Transaction Volume



Transaction Value



© 2010 published by TradeTech, LLC

TRADETECH

Denver Tech Center

7887 E. Belleview Avenue, Suite 888

Englewood, CO 80111, USA

Phone: +1 (303) 573-3530

Fax: +1 (303) 573-3531

review@tradetech.com / tradetechU3O8@gmail.com

<http://www.uranium.info>

The *Nuclear Market Review* is published for subscribers use only. The information in this publication was gathered from sources **TRADETECH** believes to be accurate. However, **TRADETECH** makes no warranty, express or implied, and assumes no legal liability or responsibility for the accuracy, completeness, or usefulness of any information contained herein.