

**sxr Uranium One Inc.**  
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Trading Symbol: SXR - Toronto Stock Exchange, Johannesburg Stock Exchange

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## NEWS RELEASE

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August 31, 2006

Toronto, Ontario

### **Uranium One Announces African Company Status**

Toronto, Ontario and Johannesburg, South Africa – sxr Uranium One Inc. (“Uranium One”) announced today that the South African Reserve Bank (SARB) has confirmed the Corporation’s status as an “African Company” as outlined in Section H.(C) (viii) of the Exchange Control Rulings. African Company status enables qualifying South African institutions (those funds with an approved offshore investment capacity) to hold an additional 5% of their portfolios in Uranium One shares to their normal entitlement under South African exchange controls.

The South African Reserve Bank has also announced that qualifying institutions are the only South African institutions which will be permitted to hold Uranium One shares after December 19, 2006. The qualifying institutions include all retirement funds, collective investment scheme management companies (unit trusts) and long-term insurers.

Private individuals who are South African residents will be unaffected by this decision, and will continue to be able to hold and trade in Uranium One shares through the facilities of the Johannesburg Stock Exchange.

Neal Froneman, CEO of Uranium One, commented:

“I am pleased that the South African Reserve Bank has agreed to confirm the African Company status of Uranium One. This means that qualifying South African institutions can expand their investment in Uranium One above the traditional ceiling.”

#### *About sxr Uranium One*

sxr Uranium One Inc. is a Canadian uranium and gold resource company with a primary listing on the Toronto Stock Exchange and a secondary listing on the Johannesburg Stock Exchange. The Corporation owns the Dominion Reefs Uranium Mine in South Africa and the Honeymoon Uranium Project in South Australia, as well as a number of exploration projects. The Corporation holds a 75% interest in Aflase Gold Limited, which owns the Modder East gold project in South Africa. Through a joint venture with Pitchstone Exploration Ltd., the Corporation is also engaged in uranium exploration activities in the Athabasca Basin of Saskatchewan.

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***Cautionary Statement***

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

*This News Release includes certain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 and “forward-looking information” within the meaning of applicable Canadian legislation. All statements other than statements of historical fact included in this release including, without limitation, statements regarding potential mineralization and reserves and future plans and objectives of Uranium One, are forward-looking statements (or forward-looking information) that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors could cause actual results to differ materially from Uranium One’s expectations. Such factors include, among others, the actual results of exploration activities, actual results of reclamation activities, the estimation or realization of mineral reserves and resources, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of new deposits, availability of capital required to place the Corporation’s properties into production, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, future prices of commodities, possible variations in ore grade or recovery rates, failure of plant, equipment or processes to operate as anticipated, accidents, labour disputes and other risks of the mining industry, delays in obtaining governmental approvals, permits or financing or in the completion of development or construction activities, the Corporation’s hedging practices, currency fluctuations, title disputes or claims limitations on insurance coverage, as well as those factors discussed under “Risk Factors” in Uranium One’s Annual Information Form and Management’s Discussion and Analysis as filed with securities regulatory authorities in Canada. Although Uranium One has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended.*

*There can be no assurance that such 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 does not undertake to update any forward-looking statements that are included herein, except in accordance with applicable securities laws.*

*To receive the Corporation’s news releases by email, please register on Uranium One’s website - [www.uranium1.com](http://www.uranium1.com)*