

URANIUM ONE INC.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual and special meeting of shareholders (the “**Meeting**”) of Uranium One Inc. (the “**Corporation**”) will be held at the Terminal City Club, 837 West Hastings Street, Vancouver, British Columbia, in the Walker Room, on May 7, 2010, at 2:00 p.m. (Pacific time), for the following purposes:

1. To receive the audited consolidated financial statements of the Corporation for the fiscal year ended December 31, 2009, together with the report of the auditors thereon;
2. To consider and, if deemed appropriate, to pass, with or without variation, a special resolution amending the articles of the Corporation to increase the maximum number of directors of the Corporation from twelve (12) to fifteen (15);
3. To elect directors of the Corporation for the ensuing year;
4. To appoint Deloitte & Touche LLP, Chartered Accountants as auditors of the Corporation for the ensuing year, and to authorize the directors to fix their remuneration; and
5. To transact such other business as may properly come before the Meeting or any adjournment thereof.

This notice is accompanied by a management information circular, a form of proxy and a request form.

Shareholders of the Corporation are invited to attend the Meeting. Shareholders of record as of the close of business on April 7, 2010 will be entitled to vote at the Meeting.

Shareholders who are unable to attend the Meeting in person are requested to complete, date, sign and deposit the enclosed form of proxy accompanying this notice of the Meeting. To be effective, forms of proxy must be received by Computershare Investor Services Inc., 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1 at least 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment thereof.

Dated at Vancouver, British Columbia, this 7th day of April, 2010.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) *Ian Telfer*
Ian Telfer
Chairman of the Board

URANIUM ONE INC.

MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

Solicitation of Proxies

This management information circular (the “Information Circular”) is furnished in connection with the solicitation of proxies by the management of Uranium One Inc. (the “Corporation”) for use at the annual and special meeting of shareholders (the “Meeting”) of the Corporation to be held at the time and place and for the purposes set forth in the notice of the Meeting accompanying this Information Circular (the “Notice”). References in this Information Circular to the Meeting include any adjournment or adjournments thereof. The solicitation of proxies will be primarily by mail but proxies may also be solicited personally or by telephone, facsimile or electronically by the directors, officers and regular employees of the Corporation or by agents appointed by the Corporation. Employees of the Corporation will not receive any extra compensation for such activities. The Corporation may also retain, and pay a fee to, one or more professional proxy solicitation firms to solicit proxies from the shareholders of the Corporation in favour of the matters set forth in the Notice. The Corporation may pay brokers or other persons holding common shares of the Corporation in their own names, or in the names of nominees, for their reasonable expenses for sending proxies and this Information Circular to beneficial owners of common shares and obtaining proxies therefor. **The solicitation of proxies by this Information Circular is being made by and on behalf of management of the Corporation.** The cost of the solicitation will be borne by the Corporation.

The board of directors of the Corporation (the “**Board**”) has fixed the close of business on April 7, 2010 as the record date, being the date for the determination of registered holders of securities entitled to receive notice of the Meeting. Duly completed and executed proxies must be received by the Corporation’s transfer agent at the address indicated on the enclosed envelope at least 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment thereof.

No person is authorized to give any information or to make any representation other than those contained in this Information Circular and, if given or made, such information or representation should not be relied upon as having been authorized by the Corporation. The information contained herein is given as of April 7, 2010 except as otherwise indicated.

These securityholder materials are being sent to both registered and non-registered owners of securities. If you are a non-registered owner, and the Corporation or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the enclosed request for voting instructions form.

Appointment and Revocation of Proxies

The persons named in the form of proxy accompanying this Information Circular are officers or directors of the Corporation. **A shareholder of the Corporation has the right to appoint a person, who need**

not be a shareholder of the Corporation, other than the persons specified in such form of proxy to attend and act for and on behalf of such shareholder at the Meeting. Such right may be exercised by either striking out the names of the persons specified in the form of proxy accompanying this Information Circular and inserting the name of the person to be appointed in the blank space provided in such form of proxy or by completing and executing another form of proxy and, in either case, returning such completed and executed form of proxy in the manner described in the Notice of the Meeting.

A shareholder forwarding the enclosed proxy may indicate the manner in which the appointee is to vote with respect to any specific item by checking the appropriate space. If the shareholder giving the proxy wishes to confer a discretionary authority with respect to any item of business, then the space opposite the item is to be left blank. The common shares represented by the proxy submitted by a shareholder will be voted in accordance with the directions, if any, given in the proxy.

A shareholder may revoke a proxy by delivering a written revocation to the registered office of the Corporation at 550 Burrard Street, Suite 2900, Vancouver, British Columbia, V6C 0A3, or to the head office of the Corporation at 1285 West Pender Street, Suite 900, Vancouver, British Columbia V6E 4B1, at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof or by depositing a written revocation with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof or in any other manner permitted by law.

Exercise of Discretion by Proxies

The persons named in the form of proxy accompanying this Information Circular will vote the common shares in respect of which they are appointed in accordance with the direction of the shareholders appointing them. **In the absence of such direction, such common shares will be voted in favour of each of the matters referred to in the Notice of the Meeting.** The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Corporation is not aware that any such amendments, variations or other matters may properly come before the Meeting. If, however, any such amendments or other matters properly come before the Meeting, the persons named in the accompanying form of proxy will vote on such amendments or other matters in accordance with their best judgment.

Voting by Non-Registered Shareholders

Only registered shareholders of the Corporation or the persons they appoint as their proxies are permitted to vote at the Meeting. Most shareholders of the Corporation are “non-registered” shareholders (“**Non-Registered Shareholders**”) because the shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the shares. Shares beneficially owned by a Non-Registered Shareholder are registered either (i) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Shareholder deals with in respect of the shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as The Canadian Depository for Securities Limited) of which the Intermediary is a participant. In accordance with applicable securities law requirements, the Corporation will have distributed copies of the Notice of Meeting, this Information Circular, the enclosed form of proxy and a request form (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for distribution to the Non-Registered Shareholders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. Intermediaries often use service companies to forward the Meeting Materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive Meeting Materials will either:

- (a) be given a voting instruction form **which is not signed by the Intermediary** and which, when properly completed and signed by the Non-Registered Shareholder and **returned to the Intermediary or its service company**, will provide voting instructions (often called a “voting instruction form”) which the Intermediary must follow. Typically the voting instruction form will consist of a one page pre-printed form. Sometimes, instead of the one page pre-printed form, the voting instruction form will consist of a regular, printed proxy form accompanied by a page of instructions which contains a removable label with a bar-code and other information. In order for the form of proxy to validly constitute a voting instruction form, the Non-Registered Shareholder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company; or
- (b) be given a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile stamped signature), which is restricted as to the number of common shares beneficially owned by the Non-Registered Shareholder but which is not otherwise completed by the Intermediary. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Shareholder when submitting the proxy. In this case, the Non-Registered Shareholder who wishes to vote by proxy should otherwise properly complete the form of proxy and deposit it as specified.

In either case, the purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of the common shares of the Corporation which they beneficially own. Should a Non-Registered Shareholder who receives one of the above forms wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should strike out the persons named in the form of proxy and insert the name of the Non-Registered Shareholder or such other person in the blank space provided. **In either case, the Non-Registered Shareholder should carefully follow the instructions of their Intermediary including those regarding when and where the proxy or voting instruction form is to be delivered.**

A Non-Registered Shareholder may revoke a voting instruction form or a waiver of the right to receive Meeting Materials and to vote which has been given to an Intermediary at any time by written notice to the Intermediary provided that an Intermediary is not required to act on a revocation of a voting instruction form or a waiver of the right to receive Meeting Materials and to vote which is not received by the Intermediary at least seven days prior to the Meeting.

Interest of Certain Persons in Matters to be Acted Upon

No (i) director or executive officer of the Corporation who has held such position at any time since January 1, 2009, (ii) proposed nominee for election as a director of the Corporation or (iii) associate or affiliate of a person in (i) or (ii) has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

Voting Securities and Principal Holders of Voting Securities

As of the April 7, 2010 record date for the Meeting, 587,493,542 common shares in the capital of the Corporation were issued and outstanding. Each holder of record of a common share at the close of business on the record date will, unless otherwise specified herein, be entitled to one vote for each common share held by such holder on all matters to be brought before the Meeting.

To the knowledge of the officers and directors of the Corporation, the following table sets out all the persons or companies that beneficially own, directly or indirectly, or exercise control or direction over, more than 10% of the voting rights attached to all outstanding common shares entitled to be voted at the Meeting.

Name of Beneficial Owner	Number of Common Shares Beneficially Owned or Controlled	Percentage of Common Shares Beneficially Owned or Controlled
JSC Atomredmetzoloto	135,963,600	23.1%

Notes:

- (1) Based upon public filings made with the securities regulatory authorities in Canada on the System for Electronic Data Analysis and Retrieval (“**SEDAR**”) and/or the System for Electronic Disclosure by Insiders (“**SEDI**”).
- (2) Calculated on the basis of 587,493,542 common shares outstanding as of April 7, 2010.

BUSINESS OF THE MEETING

Amendment of Articles of the Corporation to increase Maximum Number of Directors

At present, the Articles of the Corporation provide that the number of directors of the Corporation shall be a minimum of three (3) and a maximum of twelve (12). The Corporation currently has twelve directors. During 2009, the Corporation entered into agreements with Japan Uranium Management Inc. (“**JUMI**”) and JSC Atomredmetzoloto (“**ARMZ**”) that require the Corporation to propose to the shareholders of the Corporation for election to the Board two nominees of JUMI and two nominees of ARMZ.

Accordingly, at the Meeting, shareholders will be asked to consider and, if deemed appropriate, to pass, with or without variation, a special resolution in the form attached as Schedule “A” to this Information Circular, authorizing an amendment to the Articles so as to change maximum number of directors of the Corporation from twelve (12) to fifteen (15). To be effective, this resolution must be approved by not less than two-thirds of the votes cast by holders of the common shares of the Corporation present in person, or represented by proxy, at the Meeting.

Election of Directors

The amended articles of the Corporation, if approved by the shareholders, provide that the actual number of directors within the minimum of three (3) and the maximum of fifteen (15) shall be determined by resolution of the Board. The Board has by resolution dated March 9, 2010 fixed at thirteen (13) the number of directors of the Corporation to be elected at the Meeting, subject to the approval by the shareholders of the Corporation of the above-mentioned amendment to the articles of the Corporation to increase the maximum number of directors. If the shareholders of the Corporation do not approve such amendment, the number of directors to be elected at the Meeting will be fixed at twelve (12), the nomination of Mr. Nortier will be withdrawn, and the Meeting will proceed to vote on the remaining candidates. The term of office of each of the current directors expires on the election of directors at the Meeting.

The persons named in the form of proxy which accompanies this Information Circular intend to vote for the election of the nominees whose names are set forth below, unless the shareholder has specified in the form of proxy that the common shares represented by such form of proxy are to be withheld from voting in respect of the election of directors of the Corporation. The affirmative vote of a majority of the votes cast in respect of the motion thereon is required in order to approve this matter. Management of the Corporation does not contemplate that any of the nominees will be unable to serve as a director of the Corporation for the ensuing year; however, if that should occur for any reason prior to the Meeting or any adjournment thereof (including as a result of the shareholders of the Corporation not approving the amendment to the articles of the Corporation necessary to permit the election of thirteen (13) directors), the persons named in the form of proxy accompanying this Information Circular have the right to vote for the election of the remaining nominees and may vote for the election of a substitute nominee in their discretion. Each director elected will hold office until his successor is elected at the next annual meeting of the Corporation or any adjournment thereof or until his successor is otherwise elected or appointed.

Majority Voting for Directors

The Board has adopted a policy stipulating that if the votes in favour of the election of a director nominee at a shareholders' meeting represent less than a majority of the shares voted and withheld, the nominee will submit his resignation promptly after the meeting, for the Corporate Governance and Nominating Committee's consideration. The Corporate Governance and Nominating Committee will make a recommendation to the Board after reviewing the matter, and the Board's decision to accept or reject the resignation offer will be disclosed to the public. The nominee will not participate in any Corporate Governance and Nominating Committee or Board deliberations on the resignation offer. The policy does not apply in circumstances involving contested director elections.

The following table sets forth the names of the nominees for election as directors, the municipality in which each is ordinarily resident, their position with the Corporation, their principal occupation or employment, the date upon which each became a director of the Corporation and the number of common shares and common shares (the "Underlying Shares") issuable upon the exercise of restricted share rights beneficially owned by them, directly or indirectly, or over which control or direction is exercised by them, as of April 7, 2010:

Name and Municipality of Residence	Position with the Corporation	Principal Occupation	Director Since	Common Shares and Underlying Shares Beneficially Owned or Controlled ⁽¹⁾
IAN TELFER ⁽²⁾⁽³⁾ West Vancouver, British Columbia, Canada	Chairman of the Board of Directors	Chairman, Goldcorp Inc. (a gold mining company)	April 2007	800,000
ANDREW ADAMS ⁽²⁾⁽³⁾⁽⁴⁾ Oakville, Ontario, Canada	Director	Corporate Director	December 2005	87,445
DR. MASSIMO CARELLO ⁽⁴⁾ London, England	Director	Corporate Director	June 2007	90,000

SHIGEO FUJINAMI ⁽⁵⁾ Yokohama, Kanagawa, Japan	Director	Group Manager, Uranium Business Strategy Group, Nuclear Fuel Cycle Department, The Tokyo Electric Power Company, Incorporated (a power company)	March 2010	-
DAVID HODGSON ⁽⁶⁾⁽⁷⁾ Johannesburg, South Africa	Director	Corporate Director	July 2006	45,789
D. JEAN NORTIER West Vancouver, British Columbia, Canada	President and Chief Executive Officer and Director	President and Chief Executive Officer	August 2008	462,400
TERRY ROSENBERG ⁽³⁾⁽⁴⁾ Kloof, South Africa	Director	Chairman, Oakbrook Investments (an investment company)	December 2005	38,297
PHILLIP SHIRVINGTON ⁽⁶⁾⁽⁷⁾ San Francisco, California, U.S.A.	Director	Corporate Director	April 2007	344,750
AKIHIRO TAKUBO ⁽⁸⁾ Kamagaya, Chiba, Japan	Director	Senior Fellow, Business Development, Power Systems Company (a power company)	March 2010	-
MARK WHEATLEY ⁽⁶⁾⁽⁷⁾ North Manly, New South Wales, Australia	Director	Corporate Director	September 2003	36,786
KENNETH WILLIAMSON ⁽²⁾⁽⁴⁾ Toronto, Ontario, Canada	Director	Corporate Director	December 2005	127,445
ILYA YAMPOLSKIY ⁽⁹⁾ Moscow, Russia	Director	Deputy General Director of JSC Atomredmetzoloto (a uranium mining company)	New	-
VADIM ZHIVOV ⁽¹⁰⁾ Moscow, Russia	Director	Director General of JSC Atomredmetzoloto (a uranium mining company)	December 2009	100,000

Notes:

- (1) The information as to common shares beneficially owned or over which control or direction is exercised (not being within the knowledge of the Corporation) has been furnished by the respective nominees individually and includes Underlying Shares held by the following directors: Mr. Nortier, 54,000; Mr. Rosenberg, 38,297; and Mr. Wheatley, 13,786.
- (2) Member of the Compensation Committee.
- (3) Member of the Corporate Governance and Nominating Committee.
- (4) Member of the Audit Committee.
- (5) Mr. Fujinami is a JUMI nominee.
- (6) Member of the Safety, Health and Environment Committee.

- (7) Member of the Technical Operations Committee.
- (8) Mr. Takubo is a JUMI nominee.
- (9) Mr. Yampolskiy is an ARMZ nominee.
- (10) Mr. Zhivov is an ARMZ nominee.

Each of the above individuals has during the preceding five years held the principal occupation indicated opposite his name except for:

- Ian Telfer, who was Chairman of UrAsia Energy Ltd. (“**UrAsia**”) prior to its acquisition by the Corporation in April 2007, Chief Executive Officer and President of Goldcorp Inc. prior to November 2006 and Chairman and Chief Executive Officer of Wheaton River Minerals Ltd. prior to February/March 2005;
- Dr. Massimo Carello, who was a non-executive director of UrAsia prior to its acquisition by the Corporation in April 2007, a non-executive director of Anker plc from 2004 to 2005 and Chairman and Chief Executive Officer of Diners Club U.K. Ltd. from 2001 to 2004;
- David Hodgson, who was the Acting Chief Operating Officer of the Corporation from February 21, 2008 to November 30, 2008 and the Chief Operating Officer of AngloGold Ashanti prior to April 2005;
- Shigeo Fujinami, who was the Deputy Representative for the Washington, D.C. office of the Federation of Electric Power Companies of Japan, from 2003 to 2009;
- Jean Nortier, who was the interim Chief Executive Officer of the Corporation from February 21, 2008 to August 13, 2008, the Executive Vice-President (Corporate Development) of the Corporation from April 2007, the Chief Financial Officer of the Corporation from December 2005, and the Chief Financial Officer and a director of Uranium One Africa Limited (formerly Aflase Gold and Uranium Resources Limited) from 2002 to 2005;
- Phillip Shirvington, who was President and Chief Executive Officer of UrAsia prior to its acquisition by the Corporation in April 2007;
- Akihiro Takubo, who was a Fellow Specialist, Global Business Strategy, at Power Systems Company (a subsidiary of Toshiba Corporation) from 2008 to 2009, the Senior Manager, WEC Sales & Marketing Department, WEC Coordination Division, Power Systems Company from 2006 to 2008, and Senior Manager, Overseas Project Promotion Department, Nuclear Energy Division, Power Systems Company from 2000 to 2006;
- Mark Wheatley, who was the Chief Executive Officer of the Corporation prior to December 27, 2005 (and Chairman from June 2004 to December 2005);
- Ilya Yampolskiy, who was the Deputy General Director, Development of ARMZ from July 2007 to February 2008, and the Deputy General Director, Corporate Management and Legal Matters of JSC Techsnabexport from July 2004 to July 2007; and
- Vadim Zhivov, who was the President of MTB Canada Ltd. from 1991 to 2006, the First Deputy General Director of JSC Techsnabexport from 2006 to 2007, and the Vice-President of CJSC Kapitell from 2004 to 2006.

Cease Trade Orders and Bankruptcies

No director or executive officer of the Corporation is, or within the ten years prior to the date hereof has been, a director or chief executive officer or chief financial officer of any company (including the Corporation) that, (i) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days; (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days, that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No director or executive officer of the Corporation, or a shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, (i) is, or within ten years prior to the date hereof has been, a director or executive officer of any company (including the Corporation) that, while the person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceeding, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, other than: (a) Ian Telfer, who was vice-chairman of a technology company when it made an assignment in bankruptcy on July 31, 2001; (b) Andrew Adams, who was a director of a mining company when it sought protection under the *Companies' Creditors Arrangement Act* in January 2008; (c) Jean Nortier, who was a director of a private South African company when it was liquidated in 2001 as a result of the financial restructuring of its parent company; and (d) Mark Wheatley, who was managing director and chief executive officer of a mining company listed on the Australian Stock Exchange (the "ASX") when it was placed into voluntary administration and suspended from trading on the ASX on January 30, 2007 (the company was released from administration and trading of the company's shares on the ASX recommenced on December 3, 2007); or (ii) has, within ten years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Appointment of Auditors

The persons named in the form of proxy which accompanies this Information Circular intend to vote for the appointment of Deloitte & Touche LLP, Chartered Accountants ("**Deloitte**") as auditors of the Corporation, to hold office until their successors are appointed, and to authorize the directors of the Corporation to fix the remuneration of the auditors, unless the shareholder has specified in the form of proxy that the common shares represented by such form of proxy are to be withheld from voting in respect thereof. The affirmative vote of a majority of the votes cast is required in order to approve this matter. Deloitte was appointed as auditors on May 16, 2007 and confirmed by the shareholders on June 7, 2007, May 14, 2008 and May 8, 2009.

Reporting of Voting Results

The Corporation will report on SEDAR at www.sedar.com the voting results from the Meeting, or any adjournment thereof, within five business days, indicating the actual number of votes cast for, against, and/or withheld for each of the foregoing resolutions.

STATEMENT OF EXECUTIVE COMPENSATION

The following table provides information for the three most recently completed financial years ended December 31, 2009 regarding compensation paid to or earned by: (i) the Chief Executive Officer; (ii) the Chief Financial Officer; and (iii) the three most highly compensated executive officers of the Corporation and its subsidiaries whose compensation exceeded \$150,000 during the fiscal year ended December 31, 2009 (the “Named Executive Officers”).

Summary Compensation Table

Name and Principal Position	Fiscal Year	Salary (\$) ⁽¹⁾	Share-based Awards (\$) ⁽²⁾	Option-based Awards (\$) ⁽²⁾	Non-equity incentive plan compensation (\$)		Pension Value (\$)	All Other Compensation (\$) ⁽⁴⁾	Total Compensation (\$)
					Annual Incentive Plans ⁽³⁾	Long-term Incentive Plans			
D. Jean Nortier President and Chief Executive Officer ⁽⁵⁾	2009	612,691	-	1,290,000	1,229,896	-	-	-	3,132,587
	2008	562,647	128,156	436,079	206,250	-	-	-	1,333,132
	2007	282,281	-	428,430	163,745	-	-	16,937 ⁽⁵⁾	891,393
Robin Merrifield Executive Vice-President and Chief Financial Officer ⁽⁶⁾	2009	290,153	-	456,918	313,623	-	-	-	1,060,694
	2008	299,542	128,156	227,806	115,226	-	-	-	770,730
	2007	258,559	-	428,430	103,389	-	-	-	790,378
John Sibley Executive Vice-President, General Counsel and Secretary ⁽⁷⁾	2009	288,903	-	456,918	312,272	-	-	10,450	1,068,543
	2008	301,884	128,156	227,806	115,226	-	-	11,198	784,270
	2007	291,209	-	428,430	111,501	-	-	11,118	831,140
Steven Magnuson Chief Operating Officer ⁽⁸⁾	2009	363,600	-	327,531	299,970	-	12,250	-	1,003,351
	2008	90,740	-	49,075	43,867	-	-	-	183,682
	2007	-	-	-	-	-	-	-	-
Christopher Sattler Executive Vice-President, Corporate Development and Investor Relations ⁽⁹⁾	2009	249,453	-	456,918	202,223	-	-	-	908,594
	2008	211,069	79,155	97,383	52,508	-	-	-	440,115
	2007	186,254	-	267,900	35,565	-	-	-	489,719

Notes:

- (1) All amounts are expressed in US dollars and have been converted from Canadian dollars (in the case of Messrs. Nortier, Merrifield, Sibley and Sattler for 2007, 2008 and 2009) using the following annual average exchange rates (the “**Exchange Rates**”) as reported by the Federal Reserve Bank of New York, except for the share-based awards and the option-based awards, which are translated as described in note 2 below:

	Cdn\$/
2009	Cdn\$1.1425/\$
2008	Cdn\$1.066/\$
2007	Cdn\$1.0738/\$

- (2) Grant date fair values were determined using the Black-Scholes method, historical exchange rates as at the grant date and the following assumptions:

	December 31, 2009	December 31, 2008	December 31, 2007
Risk free interest rate	1.70%-2.82%	2.52%-3.60%	3.69%-4.57%
Expected dividend yield	0%	0%	0%
Expected volatility	98%-115%	66%-120%	40%-69%
Expected life	5 years	5 years	5 years

- (3) Represents bonuses paid in respect of each financial year. Bonuses are typically paid in the first quarter of the following year. Amounts are expressed in US dollars and have been converted from Canadian dollars (in the case of Messrs Nortier, Merrifield, Sibley and Sattler for 2007, 2008 and 2009) using the following fourth-quarter average exchange rates (the “**Q4 Exchange Rates**”) as reported by www.oanda.com:

	Cdn\$/
Q4 2009	Cdn\$1.057/\$
Q4 2008	Cdn\$1.2118/\$
Q4 2007	Cdn\$0.9811/\$

- (4) The aggregate value of all perquisites for each Named Executive Officer does not exceed the lesser of \$50,000 and 10% of his total salary and bonus.
- (5) Mr. Nortier was the Chief Financial Officer of the Corporation from December 27, 2005 until April 20, 2007, when, in connection with the completion of the acquisition of UrAsia, Mr. Nortier became Executive Vice-President, Corporate Development, and Mr. Robin Merrifield was appointed Executive Vice-President and Chief Financial Officer. Mr. Nortier was appointed interim Chief Executive Officer on February 21, 2008 on the resignation of the previous Chief Executive Officer, Mr. Neal Froneman. Mr. Nortier became the President and Chief Executive Officer of the Corporation on August 13, 2008. The amount reported under “*All Other Compensation*” represents pay in lieu of benefits.
- (6) Mr. Merrifield was appointed Executive Vice-President and Chief Financial Officer of the Corporation on April 20, 2007. The amount reported for salary for 2007 represents salary paid by UrAsia from January 1, 2007 to April 20, 2007, and salary paid by the Corporation from April 20, 2007 to December 31, 2007.
- (7) The amounts reported under “*All Other Compensation*” represents premiums paid on behalf of Mr. Sibley for a private LTD plan.
- (8) Mr. Magnuson was appointed Executive Vice-President and Chief Operating Officer on October 1, 2008. The amount reported for salary in 2008 represents salary paid by the Corporation to Mr. Magnuson from October 1, 2008 to December 31, 2008.
- (9) Mr. Sattler was appointed Senior Vice President, Investor Relations on May 1, 2006 and was promoted to Executive Vice President, Corporate Development and Investor Relations on March 1, 2009

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all share-based and option-based awards of the Corporation granted to the Named Executive Officers that were granted before, and remain outstanding as of the end of, the most recently completed financial year.

Named Executive Officer	Option-Based Awards				Share-Based Awards	
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (C\$) ⁽¹⁾	Option Expiration Date	Value of Unexercised in-the-money Options (\$) ⁽²⁾⁽³⁾	Number of Shares or Units of Shares that Have Not Vested (#)	Market or Payout Value of Share-Based Awards that Have Not Vested (\$) ⁽²⁾⁽⁴⁾
D. Jean Nortier	32,970 ⁽⁵⁾	1.33	December 8, 2010	48,770	34,000	89,873
	58,423 ⁽⁵⁾	1.81	December 8, 2010	61,875		
	6,750 ⁽⁵⁾	1.84	December 8, 2010	6,972		
	4,500 ⁽⁵⁾	2.74	December 8, 2010	1,103		
	100,000 ⁽⁵⁾	4.08	December 8, 2010	-		
	90,576 ⁽⁵⁾	4.68	December 8, 2010	-		
	22,163 ⁽⁵⁾	7.79	February 22, 2011	-		
	48,000	14.12	December 8, 2011	-		
	48,000	16.59	April 26, 2012	-		
	192,000	3.67	April 7, 2013	-		
1,000,000	2.22	March 17, 2014	700,218			
Robin Merrifield	30,000 ⁽⁶⁾	6.67	April 3, 2016	-	34,000	89,873
	59,999 ⁽⁶⁾	5.89	July 7, 2016	-		
	270,000 ⁽⁶⁾	8.32	November 28, 2016	-		
	48,000	16.59	April 26, 2012	-		
	100,300	3.67	April 7, 2013	-		
354,200	2.22	May 17, 2014	248,018			
John Sibley	3,000 ⁽⁷⁾	1.84	December 8, 2010	3,098	34,000	89,873
	3,000 ⁽⁷⁾	2.74	December 8, 2010	735		
	90,000 ⁽⁷⁾	3.64	December 8, 2010	-		
	18,000 ⁽⁷⁾	3.92	December 8, 2010	-		
	106,000	7.79	February 22, 2011	-		
	12,099	14.12	December 8, 2011	-		
	48,000	16.59	April 26, 2012	-		
	100,300	3.67	April 7, 2013	-		
	354,200	2.22	March 17, 2014	248,018		

Named Executive Officer	Option-Based Awards				Share-Based Awards	
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (C\$) ⁽¹⁾	Option Expiration Date	Value of Unexercised in-the-money Options (\$) ⁽²⁾⁽³⁾	Number of Shares or Units of Shares that Have Not Vested (#)	Market or Payout Value of Share-Based Awards that Have Not Vested (\$) ⁽²⁾⁽⁴⁾
Steven Magnuson	100,300	0.78	October 31, 2013	196,649	-	-
	253,900	2.22	March 17, 2014	177,786		
Christopher Sattler	27,600	9.90	May 28, 2011	-	21,000	55,510
	9,740	14.12	December 08, 2011	-		
	30,000	16.59	April 26, 2012	-		
	42,900	3.67	April 07, 2013	-		
	354,200	2.22	March 17, 2014	248,018		

Notes:

- (1) Options are exercisable for the purchase of common shares. The exercise price of all options granted is the volume weighted average trading price of the common shares on the Toronto Stock Exchange (“TSX”) for the five trading days immediately preceding the date of grant in accordance with the terms of the Corporation’s 2006 Stock Option Plan.
- (2) Amounts have been converted from Canadian dollars to US dollars at the Exchange Rate for 2009.
- (3) The in-the-money value is equal to the number of options multiplied by the difference between the exercise price of the options and the closing trading price on the TSX on December 31, 2009 of C\$3.02.
- (4) Restricted share rights are exercisable to acquire common shares for no additional consideration, hence they have no exercise price. The market value of the unvested restricted share rights is equal to the number of unvested restricted share rights multiplied by the closing trading price on the TSX on December 31, 2009 of C\$3.02.
- (5) As part of the acquisition of Alease Gold and Uranium Resources Limited (“Alease”) by the Corporation, which took place on December 27, 2005, the Corporation granted stock options under the 1997 Stock Option Plan in exchange for the outstanding Alease stock options. These securities represent the stock options that were granted in exchange for the Alease options previously held by Mr. Nortier.
- (6) These securities represent the stock options held by Mr. Merrifield under the UrAsia Stock Option Plan and assumed by the Corporation as part of its acquisition of that company.
- (7) These securities represent the stock options that were granted in exchange for the Alease options previously held by Mr. Sibley.

No options granted by the Corporation were re-priced during the most recently completed financial year.

Incentive Plan Awards – Value Vested or Earned During the Year

Named Executive Officer	Option-Based Awards – Value Vested During the Year (\$) ⁽¹⁾⁽²⁾	Share-Based Awards – Value Vested During the Year (\$) ⁽²⁾⁽³⁾	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$) ⁽²⁾
D. Jean Nortier	-	-	1,229,896
Robin Merrifield	-	-	313,623
John Sibley	-	-	312,272
Steven Magnuson	68,390	-	299,970
Christopher Sattler	-	-	202,223

Notes:

- (1) Based on the difference between the exercise price of the options and the closing trading price on the TSX as of the date of vesting.
- (2) Amounts have been converted from Canadian dollars to US dollars at the Q4 Exchange Rate for 2009.
- (3) Based on the number of vested restricted share rights multiplied by the closing trading price on the TSX as of the date of vesting.

Termination and Change of Control Benefits

The Corporation has employment agreements with each of Messrs. Nortier, Merrifield, Magnuson, Sattler and Sibley, that provide for payments following or in connection with termination or a change of control. Mr. Nortier’s original employment agreement was replaced with a new employment agreement upon his appointment as president and chief executive officer on August 12, 2008.

Each employment agreement outlines the executive’s position and responsibility and sets out the term of employment and matters such as compensation and vacation. The employment agreements of Messrs. Nortier, Merrifield, Magnuson, Sattler and Sibley contain confidentiality provisions which require each executive to keep in strict confidence all confidential information until such confidential information ceases to be confidential, and non-competition and non-solicitation provisions which have a term of 12 months from the date of termination. Base salaries for these individuals are subject to annual review. Each executive may also receive a discretionary annual cash bonus which in the normal course would not exceed a percentage of base salary as established by the Compensation Committee from time to time (such percentage is currently 60% of base salary for Mr. Nortier, 50% of base salary for Messrs. Merrifield, Sattler and Sibley and 55% of base salary for Mr. Magnuson). Cash bonuses, in addition to the percentage-based bonuses, may also be awarded, from time to time, in the Compensation Committee’s discretion. Each executive also participates in the Corporation’s discretionary stock-based incentive compensation plans.

If the employment of any of Messrs. Nortier, Merrifield, Magnuson, Sattler or Sibley is terminated for any reason other than cause, or if any of these executives elects to terminate his employment agreement in the event of constructive dismissal or within four months of a Change of Control, (a “**Triggering Event**”), Mr. Nortier is entitled to a severance payment equal to 24 months’ salary and each of Messrs. Merrifield, Magnuson, Sattler and Sibley is entitled to 18 months’ salary, plus, in each case, an amount equal to 20% of the base salary earned in the year of termination. A “Change of Control” is defined,

among other things, as a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Corporation as a result of which holders of common shares prior to the completion of such transaction hold less than 50% of the outstanding shares of the successor corporation; the acquisition by any person or persons acting jointly or in concert of common shares which when added to the common shares already owned by the acquirer would give the acquirer the right to vote or direct the voting of 50% or more of the votes attached to all of the Corporation's outstanding common shares; as a result of a contested election of directors or a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition, the nominees named in the Corporation's most recent management information circular for election to the Board shall not constitute a majority of the Board; or the adoption by the Board of a resolution that a change of control has occurred or is imminent.

In the event of a Change of Control (as defined above), all stock options issued under the 2006 Stock Option Plan, and all restricted share rights issued under the Restricted Share Plan, held by directors and employees of the Corporation become, in the case of stock options, immediately exercisable, and, in the case of restricted share rights, immediately exercised. All stock options issued under the 1997 Stock Option Plan become exercisable on the occurrence of an "Acceleration Event", defined to include the acquisition by any person of more than 50% of the outstanding common shares of the Corporation or an amalgamation, consolidation, statutory arrangement or merger in which the Corporation is not the continuing or surviving corporation, other than an amalgamation, consolidation, statutory arrangement or merger in which the holders of the voting shares of the Corporation prior thereto have more than 50% of the voting shares of the continuing or surviving corporation thereafter.

Mr. Merrifield's employment agreement further provides that on his resignation at any time on or after March 31, 2009, all stock options and restricted share rights granted to him by the Corporation will immediately vest and become exercisable thereafter in accordance with their terms.

Assuming that the employment of each of Messrs. Nortier, Merrifield, Magnuson, Sattler and Sibley was terminated on December 31, 2009 due to a Triggering Event, the approximate amounts payable (including the value of security-based compensation using the December 31, 2009 closing market price on the TSX) would be \$2,309,598, \$831,152, \$992,555, \$727,598 and \$832,859, respectively.

Other than as described above, the Corporation and its subsidiaries have no compensatory plans or arrangements with respect to the Named Executive Officers that result or will result in payments in the event of the resignation, retirement or other termination of employment with the Corporation or its subsidiaries or a change of control of the Corporation or its subsidiaries or a change in the responsibilities of any Named Executive Officer following a change in control.

Compensation of Directors

The following table provides details of the compensation provided to the directors of the Corporation (other than those directors who are also Named Executive Officers) for the year ended December 31, 2009.

Name	Fees Earned (\$) ⁽¹⁾	Share-Based Awards (\$)	Option-Based Awards (\$) ⁽²⁾	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Ian Telfer	111,160	-	129,000	N/A	N/A	-	240,160
Andrew Adams	98,906	-	129,000	N/A	N/A	-	227,906
Dr. Massimo Carello	77,024	-	129,000	N/A	N/A	-	206,024
David Hodgson	76,149	-	129,000	N/A	N/A	-	205,149
Terry Rosenberg	72,648	-	129,000	N/A	N/A	-	201,648
Phillip Shirvington ⁽³⁾	77,899	-	129,000	N/A	N/A	47,480	254,379
Mark Wheatley	76,149	-	129,000	N/A	N/A	-	205,149
Kenneth Williamson	75,274	-	129,000	N/A	N/A	-	204,274
Vadim Zhivov	875	-	-	N/A	N/A	-	875

Notes:

- (1) Amounts have been converted from Canadian dollars to US dollars at the Exchange Rate for 2009. During 2009, the following annual retainers were paid to the non-executive directors of the Corporation: C\$110,00, in the case of the Chairman, C\$85,000 in the case of the Chairman of the Audit Committee; and C\$60,000 for all other directors. Attendance fees of C\$1,000 per meeting and travel fees of C\$1,000 per day were also paid. Mr. Nortier did not receive any compensation in his capacity as a director of the Corporation.
- (2) Please refer to the “*Statement of Executive Compensation*” for a discussion on the determination of grant date fair values.
- (3) The amount reported under “*All Other Compensation*” represents the amount paid by the Corporation to Mr. Shirvington 2009 for advisory services relating to the nuclear industry under a consulting agreement that expired on April 21, 2009.

The following table sets forth all share-based and option-based awards of the Corporation granted to the directors of the Corporation (other than those directors who are also Named Executive Officers) that were granted before, and remain outstanding as of the end of, the most recently completed financial year.

Director	Option-Based Awards				Share-Based Awards	
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (C\$) ⁽¹⁾	Option Expiration Date	Value of Unexercised in-the-money Options (\$) ⁽²⁾⁽³⁾	Number of Shares or Units of Shares that Have Not Vested (#)	Market or Payout Value of Share-Based Awards that Have Not Vested (\$) ⁽²⁾⁽⁴⁾
Ian Telfer	112,500 ⁽⁵⁾	6.45	February 28, 2016	-		
	382,500 ⁽⁵⁾	8.32	November 28, 2016	-		
	25,000	16.59	April 26, 2012	-	-	-
	50,000	3.67	April 07, 2013	-		
	100,000	2.22	March 17, 2014	70,021		
Andrew Adams	250,000	7.79	February 22, 2011	-		
	25,000	16.59	April 26, 2012	-		
	50,000	3.67	April 07, 2013	-	-	-
	100,000	2.22	March 17, 2014	70,021		
Dr. Massimo Carello	112,500 ⁽⁵⁾	6.45	February 28, 2016	-		
	382,500 ⁽⁵⁾	8.32	November 28, 2016	-		
	25,000	16.59	April 26, 2012	-	-	-
	50,000	3.67	April 07, 2013	-		
	100,000	2.22	March 17, 2014	70,021		
David Hodgson	175,000	12.93	November 20, 2011	-		
	25,000	16.59	April 26, 2012	-		
	50,000	3.67	April 07, 2013	-	-	-
	100,000	2.22	March 17, 2014	70,021		
Terry Rosenberg	167,000	7.79	February 22, 2011	-		
	25,000	16.59	April 26, 2012	-	-	-
	50,000	3.67	April 07, 2013	-		
	100,000	2.22	March 17, 2014	70,021		

Director	Option-Based Awards				Share-Based Awards	
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (C\$) ⁽¹⁾	Option Expiration Date	Value of Unexercised in-the-money Options (\$) ⁽²⁾⁽³⁾	Number of Shares or Units of Shares that Have Not Vested (#)	Market or Payout Value of Share-Based Awards that Have Not Vested (\$) ⁽²⁾⁽⁴⁾
Phillip Shirvington	736,875 ⁽⁵⁾	4.00	November 07, 2015	-		
	810,000 ⁽⁵⁾	8.32	November 28, 2016	-		
	25,000	16.59	April 26, 2012	-	-	-
	50,000	3.67	April 07, 2013	-		
	100,000	2.22	March 17, 2014	70,021		
Mark Wheatley	40,000	5.00	March 10, 2010	-		
	60,000	7.79	February 22, 2011	-		
	25,000	16.59	April 26, 2012	-	-	-
	50,000	3.67	April 07, 2013	-		
	100,000	2.22	March 17, 2014	70,021		
Kenneth Williamson	250,000	7.79	February 22, 2011	-		
	25,000	16.59	April 26, 2012	-	-	-
	50,000	3.67	April 07, 2013	-		
	100,000	2.22	March 17, 2014	70,021		
Vadim Zhivov	-	-	-	-	-	-

Notes:

- (1) Options are exercisable for the purchase of common shares. The exercise price of all options granted is the volume weighted average trading price of the common shares on the TSX for the five trading days immediately preceding the date of grant in accordance with the terms of the Corporation's 2006 Stock Option Plan.
- (2) Amounts have been converted from Canadian dollars to US dollars at the Exchange Rate for 2009.
- (3) The in-the-money value is equal to the number of options multiplied by the difference between the exercise price of the options and the closing trading price on the TSX on December 31, 2009 of C\$3.02.
- (4) Restricted share rights are exercisable to acquire common shares for no additional consideration, hence they have no exercise price. The market value of the unvested restricted share rights is equal to the number of unvested restricted share rights multiplied by the closing trading price on the TSX on December 31, 2009 of C\$3.02.
- (5) These securities represent the stock options held by Messrs. Telfer, Carello and Shirvington under the UrAsia Stock Option Plan and assumed by the Corporation as part of its acquisition of that company.

No options granted by the Corporation were re-priced during the most recently completed financial year.

The following table sets out the value vested or earned for incentive plan awards made to directors of the Corporation (other than those directors who are also Named Executive Officers) during the most recently completed financial year.

Director	Option-Based Awards – Value Vested During the Year (\$)⁽¹⁾⁽²⁾	Share-Based Awards – Value Vested During the Year (\$)⁽²⁾⁽³⁾	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
Ian Telfer	-	-	-
Andrew Adams	-	-	-
Dr. Massimo Carello	-	-	-
David Hodgson	-	-	-
Terry Rosenberg	-	-	-
Phillip Shirvington	-	-	-
Mark Wheatley	-	-	-
Kenneth Williamson	-	-	-
Vadim Zhivov	-	-	-

Notes:

- (1) Based on the difference between the exercise price of the options and the closing trading price on the TSX as of the date of vesting.
- (2) Amounts have been converted from Canadian dollars to US dollars at the Exchange Rate for 2009.
- (3) Based on the number of vested restricted share rights multiplied by the closing trading price on the TSX as of the date of vesting.

Directors and Officers Indemnification and Liability Insurance

To the extent permitted by law, the Corporation indemnifies its directors and officers and former directors and officers. The Corporation has arranged directors' and officers' liability insurance, for the benefit of the directors and officers of the Corporation and its subsidiaries. The total limit of insurance as of December 31, 2009 was C\$40,000,000 in the aggregate, subject to certain sub-limits. The insurance policies provide for a corporate retention of C\$250,000 per claim. The total premium paid for 2009 was C\$209,074.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table provides details of compensation plans under which common shares of the Corporation are authorized for issuance, as of December 31, 2009.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights ⁽¹⁾		Weighted-Average Price of Outstanding Options, Warrants and Rights	Number of securities remaining available for future issuance under equity compensation plans ⁽²⁾	
	Number	Percentage of Outstanding Shares		Number	Percentage of Outstanding Shares
Equity compensation plans approved by securityholders					
1997 Stock Option Plan ⁽³⁾	2,068,315	0.35%	C\$6.02	Nil	Nil
2006 Stock Option Plan	9,572,093	1.63%	C\$4.94	30,654,089	5.22%
Restricted Share Plan	451,159	0.08%	N/A	2,143,097	0.36%
Equity compensation plans not approved by securityholders					
UrAsia Stock Option Plan ⁽⁴⁾	4,072,124	0.69%	C\$7.30	Nil	Nil
EMC Stock Option Plan ⁽⁵⁾	2,851,628	0.49%	C\$9.38	Nil	Nil
Total	19,015,319	3.24%	C\$6.26	32,797,186	5.58%

Notes:

- (1) Represents the number of common shares reserved for issuance upon the exercise of outstanding options and restricted share rights as at December 31, 2009.
- (2) Based on the maximum number of common shares reserved for issuance upon exercise of options under the 2006 Stock Option Plan and the Restricted Share Plan as at December 31, 2009. The maximum number of shares issuable under the 2006 Stock Option Plan and the 1997 Stock Option Plan shall not exceed 7.2% of the common shares outstanding from time to time on a non-diluted basis. The maximum number of shares issuable under the Restricted Share Plan is 3,000,000.
- (3) The 1997 Stock Option Plan was replaced by the 2006 Stock Option Plan. No additional stock options may be granted under the 1997 Stock Option Plan.
- (4) As part of the acquisition of UrAsia by the Corporation, which took place on April 20, 2007, the Corporation adopted UrAsia's obligations with respect to stock options granted and outstanding under the UrAsia Stock Option Plan. The UrAsia stock options were amended so as to be exercisable for common shares of the Corporation, after adjusting the number of shares issuable on the exercise of such options and the exercise price of such options by the exchange ratio of 0.45 of a common share of the Corporation for each common share of UrAsia, at which the common shares of UrAsia were exchanged for common shares of the Corporation under the acquisition. No additional stock options may be granted under the adopted UrAsia Stock Option Plan.
- (5) As part of the acquisition of EMC by the Corporation, which took place on August 10, 2007, the Corporation adopted EMC's obligations with respect to stock options granted and outstanding under the EMC Stock Option Plan. The EMC stock options were amended so as to be exercisable for common shares of the Corporation, after adjusting the number of shares issuable on the exercise of such options and the exercise price of such options by the exchange ratio of 1.15 common shares of the Corporation for each common share of EMC, at which the common shares of EMC were exchanged for common shares of the Corporation under the acquisition. No additional stock options may be granted under the adopted EMC Stock Option Plan.

Security-Based Compensation Plans

The Corporation's security-based compensation plans, comprising the 2006 Stock Option Plan, the Restricted Share Plan, the 1997 Stock Option Plan, the UrAsia Stock Option Plan and the EMC Stock Option Plan, are designed to advance the interests of the Corporation by encouraging employees, officers, directors and consultants to have equity participation in the Corporation through the acquisition and ownership of common shares. The key features of each such plan are set out below.

2006 Stock Option Plan

The 2006 Stock Option Plan replaced the 1997 Stock Option Plan and was approved by the shareholders on June 7, 2006 and re-approved by the shareholders on May 8, 2009.

Under the 2006 Stock Option Plan, stock options may be granted to employees, directors, officers and consultants of the Corporation and designated affiliates. In determining the terms of each grant of stock options, consideration is given to the participant's present and potential contribution to the success of the Corporation. The exercise price per share is not to be less than the volume weighted average trading price of the common shares on the TSX or another stock exchange where the majority of the trading volume and value of the common shares occurs, for the five trading days immediately preceding the day the option is granted. Under the Plan, the Board may determine the exercise period (not exceeding ten years) and vesting restrictions; to date, options granted under the Plan have been exercisable for a period of five years and vest annually in equal thirds commencing on the first anniversary of the grant date.

The maximum number of common shares issuable under the Plan and the 1997 Stock Option Plan shall not exceed 7.2% of the common shares outstanding at any time on a non-diluted basis.

The maximum number of common shares issuable to insiders, at any time, pursuant to the 2006 Stock Option Plan and any other security-based compensation arrangements of the Corporation is 8% of the total number of common shares then outstanding. The maximum number of common shares issuable to insiders within any one year period pursuant to the 2006 Stock Option Plan and any other security-based compensation arrangements of the Corporation is 8% of the total number of common shares then outstanding and the maximum number of common shares issuable to any one insider and the associates of such insider pursuant to the 2006 Stock Option Plan and any other security-based compensation arrangements of the Corporation is 5% of the total number of common shares then outstanding. Options are not assignable or transferable.

The 2006 Stock Option Plan is administered by the Compensation Committee of the Board.

In the event of a participant's retirement or termination for any reason other than as a result of having been dismissed for cause, the participant's vested options terminate 90 days after the participant's retirement or termination, unless otherwise determined by the Compensation Committee. In the event of a participant's death, the participant's vested options terminate six months after the participant's death, unless otherwise determined by the Compensation Committee. In each case, the Compensation Committee may determine a longer period that the vested options shall remain outstanding provided that no option shall remain outstanding for any period which exceeds the earlier of: (i) the expiry date of such option; and (ii) 12 months following the termination, retirement or death of the participant, as the case may be. In the event of a participant's termination for cause, all options automatically terminate.

In the event of a change of control, all options issued under the 2006 Stock Option Plan will vest and become immediately exercisable. A "change of control" is defined, among other things, as a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the

Corporation as a result of which holders of common shares prior to the completion of such transaction hold less than 50% of the outstanding shares of the successor corporation; the dissolution, winding-up or liquidation of the Corporation; the acquisition by any person or persons acting jointly or in concert of common shares which when added to the common shares already owned by the acquirer would give the acquirer the right to vote or direct the voting of 50% or more of the votes attached to all of the Corporation's outstanding common shares; as a result of a contested election of directors or a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition, the nominees named in the Corporation's most recent management information circular for election to the Board shall not constitute a majority of the Board; or the adoption by the Board of a resolution that a change of control has occurred or is imminent.

The Board may not without shareholder approval amend certain provisions of the plan, including provisions relating to: (i) any amendment to the number of securities issuable under the plan, including an increase to a fixed maximum number of securities or a change from a fixed maximum number of securities to a fixed maximum percentage, or a change in a fixed maximum percentage of securities; (ii) any change to the definition of the persons eligible to participate in the plan which would have the potential of broadening or increasing insider participation; (iii) the addition of any form of financial assistance; (iv) any amendment to a financial assistance provision which is more favourable to participants; (v) the addition of a cashless exercise feature, payable in cash or securities, which does not provide for a full deduction of the number of underlying securities from the plan reserve; (vi) the addition of a deferred or restricted share unit or any other provision which results in eligible participants receiving securities while no cash consideration is received by the Corporation; (vii) the termination or discontinuance of the plan; (viii) any amendment that would allow for the reduction of the exercise price of any options, or the cancellation and re-issue of any options; (ix) any amendment that would allow for the extension of the term of options beyond the original expiry date; (x) any amendment that would permit options to be transferable or assignable other than for normal estate settlement purposes; (xi) any amendment to the amendment provisions of the plan; and (xii) any other amendments that may lead to significant or unreasonable dilution in the Corporation's outstanding securities or may provide, additional benefits to eligible participants, especially insiders of the Corporation, at the expense of the Corporation and its existing shareholders.

Other than the foregoing amendments, the Board may, subject to receipt of all requisite regulatory approvals, in its sole discretion, make all other amendments to the 2006 Stock Option Plan including amendments of a "housekeeping" nature, amendments to the vesting provisions, amendments to the termination provisions of a security issued under the plan (which does not entail an extension beyond its original expiry date) or the addition of a cashless exercise feature, payable in cash or securities, which provides for a full deduction of the number of underlying securities from the plan reserve. In addition, no amendment to the plan may alter or impair any of the terms of any alter or impair any options or any rights pursuant thereto previously granted to any participant without the consent of such participant.

Restricted Share Plan

The Restricted Share Plan provides for the grant of restricted share rights exercisable for common shares. In the view of the Board, it is desirable to have equity-based incentive plans which include both a restricted share plan and a stock option plan, to increase the range of incentive programs available to the Corporation and thereby enhance its ability to attract, retain and motivate officers, directors and employees.

In determining the terms of each grant of restricted share rights, consideration is given to the participant's contribution to the success of the Corporation and a value is ascribed to such contribution. A restricted share right is exercisable into one common share, for no additional consideration, at the end of such

restricted period of time as determined by the Compensation Committee during which the restricted share right cannot be exercised.

A maximum of 3,000,000 common shares are currently issuable under the Restricted Share Plan. The maximum number of common shares issuable to insiders at any time pursuant to the Restricted Share Plan and any other security-based compensation arrangements of the Corporation is 8% of the total number of common shares then outstanding. The maximum number of common shares issuable to insiders, within any one year period, pursuant to the Restricted Share Plan and any other security-based compensation arrangements of the Corporation, is 8% of the total number of common shares then outstanding and the maximum number of common shares issuable to any one insider and the associates of such insider pursuant to the Restricted Share Plan and any other security-based compensation arrangements of the Corporation is 5% of the total number of common shares then outstanding. Restricted share rights are not assignable or transferable.

Under the Restricted Share Plan, the Board may determine the restricted periods applicable to the grant of restricted share rights; to date, the Board has generally determined that restricted share rights will vest as to two-thirds thereof on the first anniversary of the date of grant and as to the balance on the second anniversary of the date of grant.

Under the Restricted Share Plan, the Board may from time to time amend or revise the terms of the Restricted Share Plan or may discontinue the Restricted Share Plan at any time. Subject to receipt of requisite shareholder and regulatory approval, the Board may make amendments to the Restricted Share Plan to change the maximum number of common shares issuable under the Restricted Share Plan and to change the provisions relating to insider restrictions. All other amendments to the Restricted Share Plan may be made by the Board without obtaining shareholder approval, such amendments including an amendment to the restricted period of a restricted share right or an amendment to the termination provisions of a restricted share right.

In the event of a participant's retirement or termination during a restricted period, any restricted share rights automatically terminate, unless otherwise determined by the Compensation Committee. In the event of the retirement or termination after the restricted period, any restricted share rights will be immediately exercised without any further action by the participant and the Corporation will issue restricted shares and any dividends declared but unpaid to the participant. In the event of death or disability, such restricted share rights will be immediately exercised.

In the event of a change of control, all restricted share rights will be immediately exercised notwithstanding the restricted period. A "change of control" has the meaning described above under "2006 Stock Option Plan".

1997 Stock Option Plan

The 1997 Stock Option Plan was replaced by the 2006 Stock Option Plan approved by the shareholders on June 7, 2006. No additional stock options may be granted under the 1997 Stock Option Plan.

The key features of the 1997 Stock Option Plan which are applicable to the remaining options outstanding under such plan are as follows.

If the holder of an option ceases to be a service provider to the Corporation (other than as a result of the voluntary resignation of such holder, if such holder is an employee or consultant), such holder's options terminate on the earlier of one year after the holder ceases to be a service provider and the original expiry date of the option. All options become exercisable on the occurrence of an "Acceleration Event", defined

to include the acquisition by any person of more than 50% of the outstanding common shares of the Corporation or an amalgamation, consolidation, statutory arrangement or merger in which the Corporation is not the continuing or surviving corporation, other than an amalgamation, consolidation, statutory arrangement or merger in which the holders of the voting shares of the Corporation prior thereto have more than 50% of the voting shares of the continuing or surviving corporation thereafter.

Options may not be assigned or transferred except by will or the laws of descent and distribution or to personal holding companies controlled by a service provider. The Board may amend the Plan at any time subject to regulatory approval and, if required by the TSX, shareholder approval.

UrAsia Stock Option Plan

As part of the acquisition of UrAsia by the Corporation, which took place on April 20, 2007, the Corporation assumed UrAsia's obligations with respect to stock options granted and outstanding under the UrAsia Stock Option Plan. The UrAsia stock options were amended so as to be exercisable for common shares of the Corporation, after adjusting the number of shares issuable on the exercise of such options and the exercise price of such options by the exchange ratio of 0.45 of a common share of the Corporation for each common share of UrAsia, at which the common shares of UrAsia were exchanged for common shares of the Corporation under the acquisition. No additional stock options may be granted under the adopted UrAsia Stock Option Plan.

The key features of the UrAsia Stock Option Plan which are applicable to the remaining options outstanding under such plan are as follows.

Options granted to consultants performing investor relations activities vest over a minimum of 12 months with no more than 1/4 of such options vesting in any 3 month period; otherwise the options have such vesting provisions as the board of directors determined at the time of grant, if any. An option holder's options expire (i) immediately upon termination if the option holder is terminated for cause; (ii) if the option holder dies, on the earlier of the original option expiry date of the options or the expiry of 12 months from the death of the option holder; or (iii) if the holder ceases to be eligible (i.e. ceases to be a director, officer, employee or consultant) other than by reason of death or being terminated for cause, on the earlier of the original option expiry date of the options or the expiry of 90 days (30 days in the case of an investor relations services provider) from ceasing to be eligible. Disinterested shareholder approval must be obtained to reduce the exercise price of an option granted to a person who was an insider at the time of grant or is an insider at the time of amendment. Options granted under this plan have a maximum term of 10 years. The options are non-assignable and non-transferable. The UrAsia Stock Option Plan allows the board of directors to adjust the number of common shares or other property issuable on exercise of a stock option in the event of a share consolidation, split, reclassification or other capital reorganization, or a stock dividend, amalgamation, merger or other relevant corporate transaction, or any other relevant change in or event affecting the common shares.

EMC Stock Option Plan

As part of the acquisition of EMC by the Corporation, which took place on August 10, 2007, the Corporation assumed EMC's obligations with respect to stock options granted and outstanding under the EMC Stock Option Plan. The EMC stock options were amended so as to be exercisable for common shares of the Corporation, after adjusting the number of shares issuable on the exercise of such options and the exercise price of such options by the exchange ratio of 1.15 common shares of the Corporation for each common share of EMC, at which the common shares of EMC were exchanged for common shares of the Corporation under the acquisition. No additional stock options may be granted under the adopted EMC Stock Option Plan.

The key features of the EMC Stock Option Plan which are applicable to the remaining options outstanding under such plan are as follows.

The options are non-assignable and non-transferable. To the extent not exercised, an option shall generally terminate at the earliest of the following dates: (i) the termination date specified for the option (subject to extension for black-out periods); (ii) in the case of termination as an employee, consultant or director for just cause, the date of such termination for just cause; (iii) where the optionee's position as an employee, consultant, officer or director terminates for a reason other than the optionee's disability, death, or termination for just cause, 90 days after such date of termination, or where the Optionee is engaged in investor relations activities, 30 days after such date of termination; (iv) in the event of retirement at or after the age of 60 or after 20 years of employment, the option will remain exercisable by the optionee (or by the optionee's legal personal representative or representatives if the optionee dies before the last date of exercise of the option) in accordance with the terms of the option as if the optionee had not retired; (v) if the position of an optionee as an employee, director or officer terminates as a result of his or her death, any options held by such optionee shall pass to the permitted successor of the optionee, and shall be exercisable by the such successor for a period of one year following such death; provided that in no case shall the term of the option extend beyond five years from the date of grant. The EMC Stock Option Plan also provides for adjustments to outstanding options in the event of any consolidation, subdivision, conversion or exchange of the common shares. The exercise of options granted under this plan may be facilitated by the provision of financial assistance to the optionee on such terms and in such manner as the committee administering the EMC Stock Option Plan may determine, and subject to compliance with applicable laws and stock exchange requirements.

Compensation Discussion and Analysis

Mandate and Composition of the Compensation Committee

The Compensation Committee of the Board is responsible for reviewing and making recommendations to the Board regarding any equity or other compensation plan of the Corporation and regarding the compensation provided to non-executive directors, the total compensation package of the Chief Executive Officer, considering and approving the recommendations of the Chief Executive Officer regarding the total compensation packages for the other senior executives of the Corporation, and preparing and recommending to the Board annually the report on executive compensation required to be included in the Corporation's management information circular.

The Compensation Committee is composed of three members of the Board who are independent of the Corporation for the purposes of National Instrument 58-101 – Disclosure of Corporate Governance Practices. At December 31, 2009, the Compensation Committee comprised Kenneth Williamson (Chair), Andrew Adams and Ian Telfer.

Compensation Philosophy and Objectives

The Corporation's executive compensation practices are designed to provide both current and long term rewards to its executive officers that are competitive within the mining industry and consistent with their individual performance and contribution to the Corporation's objectives. Compensation components include base salary, bonus and long term incentives in the form of stock options and restricted share rights. Levels of compensation are established and maintained with the intent of attracting and retaining superior quality employees, having regard, among other things, to the fact that, with the exception of its United States-based employees, the Corporation does not currently maintain a pension plan for its employees or provide any other form of deferred compensation program.

The Compensation Committee reviews on an annual basis the cash compensation, performance and overall compensation package for each executive officer. It then submits to the Board recommendations with respect to base salary, bonus and participation in equity-based incentive compensation arrangements.

Base Salary

In determining the base salary of an executive officer, the Compensation Committee considers and generally places equal weight on (i) the particular responsibilities related to the position, (ii) salaries paid by comparable businesses to their executives, (iii) the experience level of the executive officer and (iv) the executive's overall performance.

The Committee uses a variety of compensation surveys conducted by independent, external compensation consulting firms in order to determine market competitiveness of compensation paid to executives in similar positions at other companies in the mining industry. For 2009, the surveys used include: The Hay Group Global Mining Compensation Report, the PWC/Coopers Consulting North American Mining Survey, the Western Compensation and Benefits Survey, and the Watson Wyatt Salary Survey. These surveys are supplemented with publicly available compensation information, such as public issuers' management information circulars and the compensation discussion and analysis contained therein relating to base salary, equity-based incentive compensation and non equity-based compensation. For 2009, the Committee considered the management information circulars of a representative sample of mining companies with similar market capitalizations and other uranium mining companies comprising Cameco Corporation, FNX Mining Company Inc., Paladin Energy Ltd., Agnico-Eagle Mines Limited and New Gold Inc. The amounts paid by the Corporation to various consulting firms to conduct such surveys and provide additional compensation consulting services are set out below:

Consultant	Amount Paid	Services Rendered
The Hay Group	\$19,238	North American compensation and salary projection survey and Global Executive Report
PWC/Coopers Consulting	\$4,031	compensation surveys
Western	\$1,756	compensation surveys
Watson Wyatt	\$2,114	compensation surveys

Notes:

- (1) Amounts have been converted from Canadian dollars to US dollars at the Exchange Rate for 2009.

In 2009, on the recommendation of the Compensation Committee, the Board approved inflation-related adjustments of 2% to the salaries of Messrs. Merrifield, Sibley and Magnuson. As well, the Board approved an adjustment to the salary of Mr. Sattler to reflect his promotion to Executive Vice President .

Bonus Payments

Executive officers are eligible for annual cash bonuses, taking into account and giving generally equal weight to financial performance, attainment of certain corporate objectives and individual performance. In determining bonus payments, the Compensation Committee recognizes that there are certain factors, such as interest rates and commodity prices, which the executives cannot control and focuses on factors over which the executive can exercise control, such as safety and environmental protection, cost control, taking advantage of business opportunities, improving productivity and effectiveness and enhancing the business and competitive prospects of the Corporation.

For 2009, the Corporation's key corporate objectives were to achieve annual production guidance of 3.6 million pounds U₃O₈ (announced in November 2008) and costs targets at its core operations (Akdala and South Inkai) of \$16/lb U₃O₈, in the case of Akdala, and \$22/lb U₃O₈, in the case of South Inkai mine. The Corporation met its production target and achieved costs of \$12/lb U₃O₈ at the Akdala mine and \$21/lb U₃O₈ at the South Inkai mine.

Additional factors considered by the Compensation Committee included the steps taken by the Named Executive Officers to mitigate the potential impacts on the Corporation's business resulting from the investigations by Kazakh authorities into the prior business dealings of Kazatomprom (the Kazakh state-owned enterprise which is the Corporation's joint venture partner at its Kazakh operations), as well as the ability of the Named Executive Officers to secure and enhance the Corporation's business and future business prospects by negotiating strategic alliances and long term offtake agreements with the Russian state-owned uranium mining company, ARMZ (which included the \$412 million acquisition of a 50% interest in the Karatau uranium mine on terms accretive to the Corporation), and with a Japanese consortium, JUMI, consisting of The Tokyo Electric Power Company, Incorporated, Toshiba Corporation and the Japan Bank for International Cooperation (which included a C\$269.1 million private placement of convertible debentures on terms attractive to the Corporation).

On the recommendation of the Compensation Committee, cash bonuses were awarded to the Named Executive Officers in respect of the 2009 financial year as detailed above under "Statement of Executive Compensation - Summary Compensation Table". Such bonuses comprised the normal course percentage of base salary as described above under "Termination and Change of Control Benefits" plus additional discretionary bonuses totalling, in the aggregate, \$1,229,896, \$313,623, \$312,272, \$299,970 and \$202,223, awarded to Messrs. Nortier, Merrifield, Sibley, Magnuson and Sattler, respectively. In determining the amount of such discretionary bonuses, the Compensation Committee took into account the performance of the Corporation's share price during the most recently completed financial year compared to other uranium mining companies that are listed on the TSX and the fact that reduced bonuses had been awarded the previous two years.

Phantom Stock Plan

The Corporation adopted a phantom stock plan on November 13, 2008, which provides for the grant of rights exercisable for a cash payment equal to the excess of the market price at the time of exercise over the market price at the time of grant of such rights. The plan is intended to provide the Corporation with an additional incentive program to attract, retain and motivate officers, directors and employees without resulting in dilution to shareholders.

The phantom stock plan is administered by the Compensation Committee of the Board and the Committee will determine the vesting date and expiry date of such rights. To date, no rights have been granted under the phantom stock plan.

Pension Plan

The U.S. subsidiary of UrAsia provided a 401(k) plan to its U.S. employees, which is a defined contribution plan. With the acquisition of EMC and the integration of EMC, UrAsia and Uranium One, the 401(k) plan was extended to all U.S based employees of the Corporation as of January 1, 2008. Effectively, January 1, 2009, Mr. Magnuson became a participant in the 401(k) plan. The Corporation matches employee contributions to the 401(k) plan, dollar for dollar, up to a maximum of 5% of the employee's base salary or the maximum contribution allowed under legislation, whichever is less.

The following table provides details of the Corporation's 401(k) plan as of December 31, 2009.

Name	Accumulated value at start of the year (\$)	Compensatory (\$)	Non-Compensatory (\$)	Accumulated value at year end (\$)
Steve Magnuson	-	12,250	22,000	40,640

Stock Options and Restricted Share Rights

The Corporation seeks to provide a market-based blend of base salaries, bonuses and an equity-based incentive component in the form of stock options and, in certain cases, restricted share rights. Of the three elements, greater emphasis is placed on equity incentives, as the Corporation believes that this serves to further align the interests of management with the interests of the Corporation's shareholders.

The Board uses, among other things, the Black-Scholes model to determine the appropriate number of stock options and restricted share rights to be granted when determining the equity-based component of an executive's compensation.

During 2009, the Board, on the recommendation of the Compensation Committee approved the grant of 1,000,000 stock options to Mr. Nortier, Chief Executive Officer and 354,200 stock options to each of Messrs. Merrifield, Sattler and Sibley, and 253,900 stock options to Mr. Magnuson. All such options vest in equal thirds over three years commencing on the first anniversary of the date of grant.

Chief Executive Officer Compensation

The components of Chief Executive Officer compensation are the same as those which apply to the other senior executive officers of the Corporation, namely base salary, bonus and long term equity incentives. The Compensation Committee presents recommendations to the Board with respect to the Chief Executive Officer's compensation. In setting the recommended salary of the Chief Executive Officer, the Committee takes into consideration salaries paid to other chief executive officers of comparable Canadian and international mining companies. In setting the bonus and long term incentives for the Chief Executive Officer, the Committee evaluates the performance of the CEO in light of his impact on the achievement of the Corporation's goals and objectives for the prior year and the attainment of certain individual performance measures.

In making its determination with respect to Chief Executive Officer compensation applicable to 2009, the Committee reviewed salaries paid to other chief executive officers of Canadian and international mining companies including Cameco Corporation, FNX Mining Company Inc., Paladin Energy Ltd., Agnico-Eagle Mines Limited and New Gold Inc.

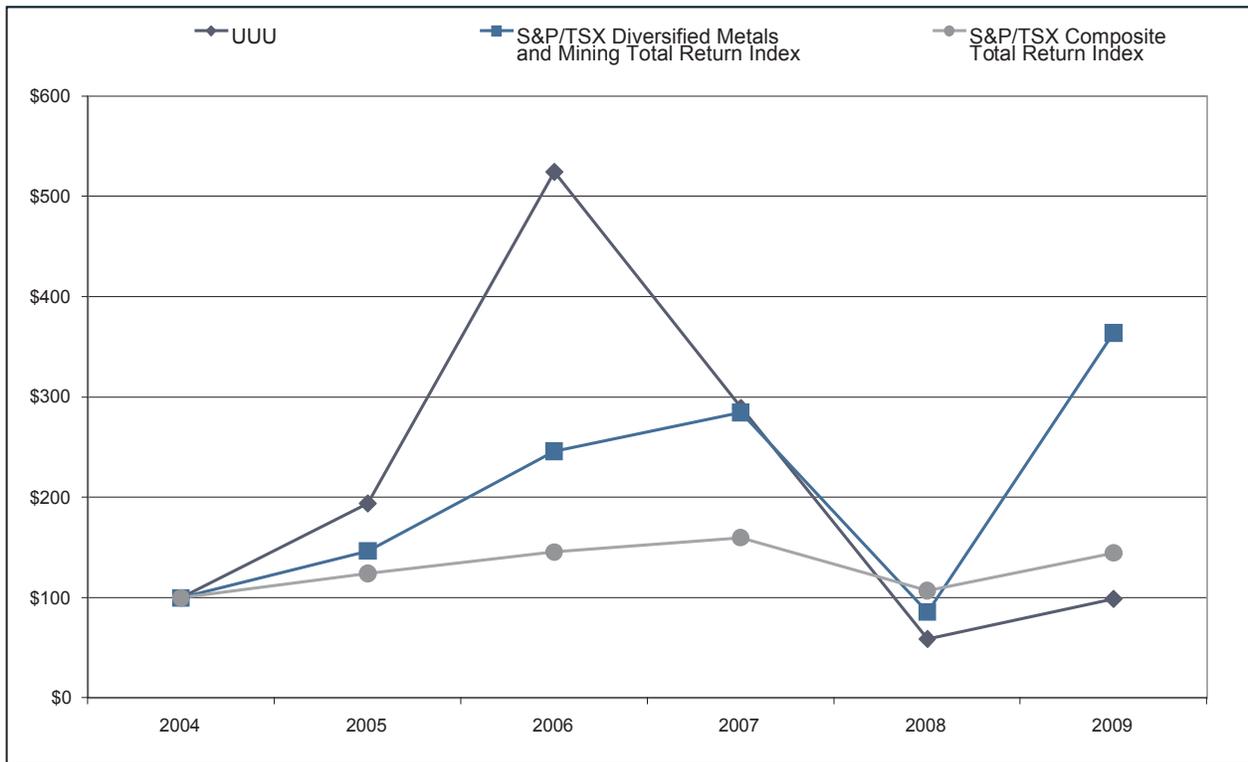
In 2009, the Board approved an adjustment to Mr. Nortier’s salary to \$700,000 per year in order to bring his salary more in line with the salaries being paid to the chief executive officers of the above-mentioned companies.

The foregoing report has been submitted by the Compensation Committee:

Kenneth Williamson (Chairman)
 Andrew Adams
 Ian Telfer

Performance Graph

The following graph shows the change in the cumulative shareholder return on the common shares compared to the cumulative total return of the S&P/TSX Composite Total Return Index and the S&P/TSX Diversified Metals and Minerals Stock Price Total Return Index for the period commencing January 1, 2004 to December 31, 2009, assuming an investment of \$100 on December 31, 2004.



	Dec. 31, 2004	Dec. 31, 2005	Dec. 31, 2006	Dec. 31, 2007	Dec. 31, 2008	Dec. 31, 2009
UUU	\$100	\$194	\$525	\$290	\$59	\$99
S&P/TSX Diversified Metals and Mining Total Return Index	\$100	\$147	\$246	\$285	\$86	\$364
S&P/TSX Composite Total Return Index	\$100	\$124	\$146	\$160	\$107	\$145

Due to the Corporation’s significant corporate development activity during 2007 with the acquisition of UrAsia and EMC and the changes in Named Executive Officers between 2005 and 2007, it is not possible

to provide a meaningful discussion of Named Executive Officers' compensation compared to the performance graph for the period 2005 to 2007.

During the period 2007 to 2009, the Corporation was adversely impacted by a significant decrease in the price of uranium and the extreme volatility in the global financial markets. Despite these conditions, the Corporation's share price outperformed its peer group of Cameco Corporation, Denison Mines Corp., First Uranium Corporation and Paladin Energy Ltd. during 2009. During the period 2007 to 2009, (i) base salaries paid to Named Executive Officers were adjusted to harmonize compensation paid to executive officers, to provide for inflation-related increases and to reflect promotions, (ii) partial bonuses were paid in 2008 with no discretionary component, (iii) full bonuses including discretionary bonuses were paid and option grants were increased in 2009 in light of the Corporation's performance relative to its peer group.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than "routine indebtedness" as defined in applicable securities legislation, since the beginning of the last fiscal year of the Corporation, none of the Corporation's directors, executive officers or employees, or proposed nominees for election as a director of the Corporation, or former directors, executive officers or employees, nor any associate of such individuals is, at the date hereof, or has been, during and since the year ended December 31, 2009, indebted to the Corporation or its subsidiaries in connection with the purchase of securities or otherwise. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding of the Corporation or its subsidiaries.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

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

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

In June 2005, National Policy 58-201 - Corporate Governance Guidelines ("NP 58-201") and National Instrument 58-101- Disclosure of Corporate Governance Practices ("NI 58-101") were adopted by the Canadian securities regulatory authorities. NP 58-201 contains guidelines on the composition and independence of corporate boards, board and board committees and their mandates, codes of business conduct and other matters of corporate governance. NI 58-101 requires that, if management of any issuer

solicits proxies from its security holders for the purpose of electing directors, specified disclosure of its corporate governance practices must be included in its management information circular.

In response to these regulatory initiatives, the Corporation has, among other things, adopted Corporate Governance Guidelines in the form attached to this Information Circular as Schedule “B” (the “**Board Guidelines**”), and written charters for each of the standing Committees of the Board, as well as a Code of Business Conduct and Ethics and other policies which are compliant with the applicable Canadian requirements. The Corporation continues to monitor developments in Canada and elsewhere with a view to further revising its governance policies and practices, as appropriate.

Following is a description of the Corporation’s corporate governance practices.

The Board of Directors

Independence of the Board

The Board Guidelines provide that directors who are independent within the meaning of NI 58-101 must comprise a majority of the Board at all times. The Board Guidelines were amended on March 8, 2010 to provide that, notwithstanding the foregoing, a director will not be independent if he or she is a director, officer or representative of, or has any material relationship with, a shareholder who owns 10% or more of the Corporation’s outstanding voting securities.

During the Corporation’s most recently completed financial year, six of the ten members of the Board met the then prevailing definition of independence. Currently, six of the twelve current members of the Board (Messrs. Telfer, Adams, Carello, Rosenberg, Wheatley and Williamson) meet the definition of independence under the Guidelines. Of the balance, Mr. Nortier is not independent, as he is the Chief Executive Officer of the Corporation. Messrs. Hodgson and Shirvington are not independent, as they are former officers of the Corporation and UrAsia (a wholly-owned subsidiary of the Corporation and a former reporting issuer), respectively. However, Mr. Shirvington will be deemed to be independent after April 20, 2010, the third anniversary of the acquisition of UrAsia, since Mr. Shirvington ceased to be an officer upon the completion of that acquisition and at that point, seven of the twelve current members of the Board will be independent. Mr. Zhivov is not independent as he is the General Director of ARMZ, which owns approximately 23.1% of the Corporation’s outstanding voting securities, and Mr. Ilya Yampolskiy, the Deputy Director General of ARMZ, will not be independent for the same reason. Messrs. Fujinami and Takubo are not independent as they are representatives of JUMI, which will hold approximately 16.6% of the Corporation’s outstanding voting securities (after giving effect to the conversion of the C\$269.1 million aggregate principal amount of 3% convertible debentures of the Corporation issued in January 2010). Provided that all of the nominees set forth in this circular are elected, seven of the thirteen members of the Board will meet the definition of independence. The independent directors hold regularly scheduled meetings.

Under the Board Guidelines, the Chair of the Board must be an independent non-executive director. The current Chair of the Board is Mr. Ian Telfer. To help ensure the functioning of the Board independently of management, the non-executive directors generally hold an *in camera* session in conjunction with each meeting of the Board, at which members of management, including the President and Chief Executive Officer, are not present. In addition, the compensation of the President and Chief Executive Officer is considered in his absence by the Compensation Committee of the Board at least once a year.

Meetings of the Board

The Board Guidelines provide that the Board is to meet as frequently as necessary but not less than four times a year, usually every quarter. The frequency of the meetings and the nature of meeting agendas are dependent on the nature of the business and affairs which the Corporation faces from time to time. The Chairman, in consultation with the Chief Executive Officer, develops the agenda for each Board meeting.

In 2009, the Board met 10 times. Each director attended all of the meetings of the Board except Messrs. Carello, Rosenberg and Shirvington who each attended 9 of the 10 meetings, Mr. Hodgson who attended 8 of the 10 meetings, Mr. Wheatley who attended 7 of the 10 meetings, and Mr. Zhivov who attended the one meeting which occurred after his appointment to the Board on December 14, 2009.

Directorships with Other Reporting Issuers

Mr. Adams is a director of First Quantum Minerals Ltd and Gleichen Resources Ltd. Dr. Carello is a director of Canaccord Capital Inc., Orsu Metals Corporation and Velo Energy Inc. Mr. Telfer is a director of Goldcorp Inc. and New Gold Ltd. Mr. Wheatley is a director of BMA Gold Limited. Mr. Williamson is a director of Goldcorp Inc., Quadra Mining Ltd. and Bioteq Environmental Technologies Inc.

Director Investment Requirements

As part of the Corporate Governance and Nominating Committee's periodic review of the Board Guidelines, the Committee recommended to the Board that, absent general restrictions on share ownership arising by virtue of a director's professional or occupational circumstances, the prescribed level of share ownership by the directors be amended such that each director be required to maintain ownership of common shares equal in value to at least one times the amount of any annual retainer payable to them, and the Board approved such recommendation.

Mandate of the Board of Directors

The duties and responsibilities of the Board are to supervise the management of the business and affairs of the Corporation and to act with a view towards the best interests of the Corporation. In addition to its statutory responsibilities, the Board Guidelines provide that the Board is responsible for:

- (a) reviewing and approving the Corporation's strategic plans, including its business and financial strategies and major corporate actions and initiatives, and its annual budget and forecasts, including major resource allocations, expenditures and capital investments;
- (b) monitoring the operational performance of the Corporation, including the execution of the Corporation's strategies and the effectiveness of management policies and decisions;
- (c) overseeing the management and internal control of risks facing the Corporation, as well as the quality and integrity of the Corporation's accounting and financial reporting systems, disclosure controls and procedures and internal controls;
- (d) developing and implementing appropriate policies and procedures for communicating with the Corporation's shareholders and other stakeholders;

- (e) selecting, monitoring and evaluating the performance and fixing the compensation of the Chief Executive Officer and developing and approving succession plans for the Chief Executive Officer, senior management and members of the Board; and
- (f) ensuring that the Corporation's business is conducted in accordance with the Corporation's high standards of business and ethical conduct and in conformity with applicable laws and regulations.

The Board discharges its responsibilities directly and through its Committees, currently comprising the Audit Committee, the Compensation Committee, the Corporate Governance and Nominating Committee, the Safety, Health and Environment Committee and the Technical Operations Committee.

Position Descriptions

The Board has adopted written position descriptions for the Chairman, the Chief Executive Officer and the Chair of each Board Committee.

The primary role of the Chairman is to ensure that the responsibilities of the Board are well understood by both the Board and management, the boundaries between the Board and management are understood and respected and that the Board carries out its responsibilities effectively in accordance with the Board Guidelines. The Chairman ensures that the Board functions effectively, chairs meetings of the Board and shareholders and leads the Board in monitoring and evaluating the performance of the Chief Executive Officer.

The primary role of the Chief Executive Officer is to manage the Corporation in an effective, efficient and forward-looking way and to fulfill the priorities, goals and objectives determined by the Board in the context of the Corporation's strategic plans, budgets and responsibilities with a view to increasing shareholder value. These responsibilities include maintaining and developing the Corporation's role as a leading uranium mining company, developing with the Board and implementing strategic plans for the Corporation, providing quality leadership to the Corporation's staff and ensuring that its human resources are properly managed and acting as an entrepreneur and innovator within the context of the Corporation's strategic goals.

The primary responsibilities of the Chair of each Board Committee is to lead the Committee in undertaking the duties and responsibilities that the Committee is charged with by the Board; ensure that Committee members receive all necessary information in a timely fashion; ensure that the Committee has adequate access to all members of management; set agendas for and chair Committee meetings; lead the Committee in an annual review of its performance; and ensure the Committee comprises members with the requisite skill, experience and training.

New Director Orientation and Continuing Education

The Corporate Governance and Nominating Committee in conjunction with the Chairman of the Board is responsible for ensuring that new directors are provided with an orientation and education program which will include written information about the duties and obligations of directors, the business and operations of the Corporation, documents from recent Board meetings and opportunities for meetings and discussions with senior management and other directors.

The Board recognizes the importance of ongoing director education and the need for each director to take personal responsibility for this process. To facilitate ongoing education of the directors, the Corporate Governance and Nominating Committee will periodically canvass the directors to determine their training

and education needs and interests, arrange visits to the Corporation's facilities and operations, arrange the funding for the attendance of directors at seminars or conferences of interest and relevance to their position as a director of the Corporation and encourage and facilitate presentations by outside experts to the Board or committees on matters of importance or emerging significance.

Code of Business Conduct and Ethics

The Board has adopted a Code of Business Conduct and Ethics for its directors, officers and employees. The Corporate Governance and Nominating Committee has responsibility for monitoring compliance with the Code by ensuring that all directors, officers and employees receive and become familiar with the Code and acknowledge their understanding of its provisions. Any non-compliance with the Code is to be reported to the Chief Financial Officer or other appropriate person. A copy of the Code may be accessed on the Corporation's website at www.uranium1.com.

The Board takes steps to ensure that directors, officers and employees exercise independent judgment in considering transactions and agreements in respect of which a director, officer or employee of the Corporation has a material interest, which include ensuring that directors, officers and employees are thoroughly familiar with the Code.

The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations, providing guidance to directors, officers and employees to help them recognize and deal with ethical issues, promoting a culture of open communication, honesty and accountability and ensuring awareness of disciplinary action for violations of ethical business conduct.

Nomination of Directors

The Corporate Governance and Nominating Committee, which is composed entirely of independent directors, is responsible for identifying and recruiting new candidates for nomination to the Board. The process by which the Board anticipates that it will identify new candidates is through recommendations of the Corporate Governance and Nominating Committee whose responsibility it is to lead the process of identifying, evaluating and recommending to the Board suitable director candidates, having regard to the competencies and skills of the nominees, the needs of the Board and Board succession planning.

The Corporate Governance and Nominating Committee's responsibilities include monitoring and assessing the Board's relationship with management to ensure that the Board is able to function independently of management; assessing the effectiveness of the Board as a whole and assessing at least annually the optimum Board size; conducting an annual evaluation of the effectiveness of the Board and an annual peer evaluation process to provide feedback to individual directors on their effectiveness; conducting an annual assessment of the performance and independence of the Chairman; ensuring that appropriate Committee structure, mandate and membership are established and reviewed annually; reviewing and where appropriate approving requests by directors to engage the services of outside advisers; preparing and recommending to the Board annually the statement of corporate governance practices to be included in the Corporation's management information circular; and identifying and recommending to the Board individuals qualified to become Board members.

Compensation

The Compensation Committee, which is composed entirely of independent directors, assists the Board in the discharge of its responsibilities with respect to the setting of compensation for the directors and senior executive officers of the Corporation. The process by which appropriate compensation is determined is

through periodic and annual reports from the Compensation Committee on the Corporation's overall compensation and benefits philosophies.

The Compensation Committee's responsibilities include reviewing and making recommendations to the Board regarding any equity or other compensation plan and regarding the compensation provided to non-executive directors, the total compensation package of the Chief Executive Officer, considering and approving the recommendations of the Chief Executive Officer regarding the total compensation packages for the other senior executives of the Corporation, and preparing and recommending to the Board annually the report on executive compensation required to be included in the Corporation's management information circular.

Committees of the Board of Directors

The Board currently has five standing committees - Audit, Compensation, Corporate Governance and Nominating, Safety, Health and Environment, and Technical Operations. Each of the Audit, Compensation and Corporate Governance and Nominating Committee are composed entirely of members who are independent of the Corporation within the meaning of NI 58-101. The Corporation does not have an executive committee of the Board.

Audit Committee

The Audit Committee currently consists of Mr. Adams, who serves as its Chair, and Messrs. Carello, Rosenberg and Williamson.

The Audit Committee assists the Board in its oversight role with respect to the quality and integrity of the Corporation's financial statements, the performance, qualifications and independence of the Corporation's independent auditors, the performance of the Corporation's internal audit function and the Corporation's compliance with legal and regulatory requirements. Further information regarding the Audit Committee is contained in the Corporation's annual information form dated March 31, 2010 (the "AIF"), available on SEDAR at www.sedar.com, under Item 8.2 "Directors and Officers – Audit Committee". A copy of the charter of the Audit Committee is attached to the AIF as Schedule "A" and is available on the Corporation's website at www.uranium1.com.

In 2009, the Audit Committee met 4 times. Each Committee member attended all meetings of the Audit Committee, except for Mr. Rosenberg, who attended 3 of the 4 meetings.

Compensation Committee

The Compensation Committee currently consists of Mr. Williamson, who serves as its Chair, and Messrs. Adams and Telfer.

The Compensation Committee assists the Board in the discharge of its responsibilities with respect to the setting of compensation for the directors and senior executive officers of the Corporation. The Committee ensures the Corporation has an executive compensation plan that is both motivational and competitive, so that the Corporation will attract, retain and motivate its senior executives. A copy of the charter of the Compensation Committee is available on the Corporation's website at www.uranium1.com.

In 2009, the Compensation Committee met once. Each Committee member attended all meetings of the Compensation Committee.

Corporate Governance and Nominating Committee

The Corporate Governance and Nominating Committee currently consists of Mr. Rosenberg, who serves as its Chair, and Messrs. Adams and Telfer.

The Corporate Governance and Nominating Committee assists the Board in the discharge of its duties and responsibilities with respect to ensuring the effectiveness of the systems of corporate governance of the Corporation, including by coordinating an annual evaluation of the Board, its committees and individual Board members and assessment of the Corporate Governance Guidelines of the Board and the charters of each Board Committee. The Committee also leads the process of identifying, evaluating and recommending to the Board suitable director candidates, having regard to the competencies and skills of the nominees, the needs of the Board and its Committees and Board succession planning.

In 2009, the Corporate Governance and Nominating Committee met 2 times. Each Committee member attended all meetings of the Corporate Governance and Nominating Committee.

Safety, Health and Environment Committee

The Safety, Health and Environment Committee currently consists of Mr. Wheatley, who serves as its Chair, and Messrs. Shirvington and Hodgson.

The Safety, Health and Environment Committee reviews and monitors the environmental, health and safety and sustainability policies and activities of the Corporation on behalf of the Board of Directors.

In 2009, the Safety, Health and Environment Committee met 4 times. Each Committee member attended all meetings of the Safety, Health and Environment Committee.

Technical Operations Committee

The Technical Operations Committee currently consists of Mr. Shirvington, who serves as its Chair, and Messrs. Hodgson and Wheatley.

The Technical Operations Committee oversees the execution of the Corporation's operating and development assets in Kazakhstan, the United States, Australia and South Africa.

The Technical Operations Committee met 4 times in 2009. Each Committee member attended all meetings of the Technical Operations Committee.

Board and Director Assessments

The Board is committed to regular assessments of the effectiveness of the Board, the Chairman of the Board, the Committees of the Board and the individual directors. The Corporate Governance and Nominating Committee annually reviews and makes recommendations to the Board regarding evaluations of the Board, the Chairman of the Board, the Committees of the Board and the individual directors. During 2009, a written questionnaire was sent to each director, asking members to evaluate the Board, its Committees and its members and seeking their comments and any suggestions for improvement. The Chairman of the Corporate Governance and Nominating Committee then reported the results of this evaluation to the Board.

The overall conclusion from the questionnaires and formal discussions was that the Board and its Committees were working effectively. Several improvements are planned to be implemented as a result

of these assessments, including holding Board and Committee meetings in Kazakhstan, additional succession planning for the Board and senior employees, increased interaction between the independent directors and senior employees at the Corporation's offices, and additional meetings of the independent directors.

GENERAL

Additional Information

Additional information relating to the Corporation can be found on SEDAR at www.sedar.com. Financial information is provided in the Corporation's audited consolidated financial statements and management's discussion and analysis for the financial year ended December 31, 2009 which can be found on SEDAR at www.sedar.com and on the Corporation's website at www.uranium1.com. Shareholders may also contact the Executive Vice-President, Corporate Development and Investor Relations of the Corporation by phone at (416) 350-3657 or by email at chris.sattler@uranium1.com to request copies of these documents.

Directors' Approval

The contents of this Information Circular and the sending thereof to the shareholders of the Corporation have been approved by the directors of the Corporation.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) *Ian Telfer*
Ian Telfer
Chairman of the Board

Vancouver, British Columbia

April 7, 2010

Schedule “A”

Resolution to Approve the Amendment of Articles

NOW THEREFORE BE IT RESOLVED THAT:

1. The Corporation shall, in accordance with section 173(1) of the *Canada Business Corporations Act* (the “CBCA”), amend its articles to change the maximum number of directors of the Corporation from twelve to fifteen.
2. The directors of the Corporation may, pursuant to section 173(2) of the CBCA, revoke this special resolution before it is acted upon without further approval of the shareholders; and
3. Any director or officer of the Corporation is hereby authorized and directed, for and on behalf of the Corporation, to execute or cause to be executed under seal of the Corporation or otherwise and to deliver or cause to be delivered such other documents and instruments and to do or cause to be done such other acts and things as may in the opinion of such director or officer of the Corporation be necessary or desirable to carry out the intent of the foregoing resolution.

Schedule “B”

Corporate Governance Guidelines of the Board of Directors

1. GENERAL

These Guidelines have been developed by the Board of Directors of Uranium One Inc., on the recommendation of its Corporate Governance Committee, to promote the effective functioning of the Board and its committees and to set forth a common set of expectations as to how the Board should manage its affairs and perform its responsibilities. These Guidelines reflect the Board’s commitment to attaining and maintaining a high standard of corporate governance, in accordance with the spirit as well as the letter of applicable securities legislation and stock exchange requirements.

These Guidelines are an evolving set of principles, subject to modification and updating as circumstances warrant. The Corporate Governance Committee of the Board is responsible for reviewing these Guidelines at least once a year and for recommending any changes to these Guidelines to the Board. Nothing in these Guidelines is intended to expand applicable standards of liability under statutory or regulatory requirements for directors of the Corporation.

2. ROLE, RESPONSIBILITIES AND INTERACTION WITH MANAGEMENT

2.1 Role of the Board. The Board is responsible, directly and through its Committees, for the supervision of the management of the business and affairs of the Corporation. The Board seeks to ensure the viability and long-term financial strength of the Corporation and the creation of enduring shareholder value. In pursuing these objectives, the Board will have regard to the best interests of the shareholders and the Corporation and to the needs of its other stakeholders, including the needs of the communities in which the Corporation conducts its business and the needs of its employees, suppliers and customers.

2.2 Responsibilities. In addition to its statutory responsibilities, the Board’s primary responsibilities include:

- (a) to review and approve the Corporation’s strategic plans, including its business and financial strategies and major corporate actions and initiatives, and its annual budget and forecasts, including major resource allocations, expenditures and capital investments;
- (b) to monitor the operational performance of the Corporation, including the execution of the Corporation’s strategies and the effectiveness of management policies and decisions;
- (c) to oversee the management and internal control of risks facing the Corporation, as well as the quality and integrity of the Corporation’s accounting and financial reporting systems, disclosure controls and procedures and internal controls;
- (d) to develop and implement appropriate policies and procedures for communicating with the Corporation’s shareholders and other stakeholders;
- (e) to select, monitor, evaluate the performance and fix the compensation of the CEO and to develop and approve succession plans for the CEO, senior management and members of the Board; and

- (f) to ensure that the Corporation's business is conducted in accordance with the Corporation's high standards of business and ethical conduct and in conformity with applicable laws and regulations.

2.3 Board Interaction with Management. The day-to-day management of the business and affairs of the Corporation is the responsibility of the CEO and senior management of the Corporation. As part of their operational responsibility, the CEO and senior management are charged with:

- (a) managing the Corporation's day-to-day business operations and carrying out the Corporation's strategic objectives within operating plans and budgets approved by the Board;
- (b) identifying and developing strategic plans to be reviewed and approved by the Board and, upon such review and approval, implementing such plans;
- (c) developing annual operating plans and budgets to be reviewed and approved by the Board and, upon such review and approval, implementing such plans and budgets;
- (d) taking such action as is necessary and appropriate to implement direction or guidance given by the Board and its Committees from time to time;
- (e) selecting qualified management and implementing an organizational structure that is efficient and appropriate for the Corporation's particular circumstances;
- (f) identifying and managing the risks that the Corporation undertakes in the course of carrying out its business;
- (g) being responsible for the integrity of the Corporation's financial reporting systems and establishing and supervising the operation of systems that allow the Corporation to produce financial statements that fairly present the Corporation's financial condition; and
- (h) operating the Corporation in a lawful and ethical manner.

2.4 Board Communications Policy. The Board approves the content of the Corporation's major communications to shareholders and the investing public, including the interim and annual reports, management proxy circulars and annual information form and any prospectuses that may be prepared and filed. The Board believes that it is the function of management, led by the CEO, to speak for the Corporation in its communications with the investment community, the media, customers, suppliers, employees, governments and the general public. It is understood that the Chair or other individual Directors may from time to time be requested by management to assist with such communications.

3. COMPOSITION

3.1 Independent Director Majority. The Board must have the capacity, independently of management, to fulfill the Board's responsibilities and must be able to make an objective assessment of management and management's initiatives. The Corporation is accordingly committed to the recruitment of directors who are independent. Under these Guidelines, directors are independent if they meet the criteria for independence contained in Multilateral Instrument 52-110 - Audit Committees, as amended from time to time, and such other criteria for independence as may be contained in laws, rules, regulations and listing requirements to which the Corporation is subject. Notwithstanding the foregoing, from and after March 8, 2010, a Board member will not be independent under these Guidelines if he or she is a

director, officer or representative of, or has any material relationship with, a shareholder who holds 10% or more of the Corporation's issued and outstanding common shares. Such independent directors will comprise a majority of the Board at all times.

3.2 Number. The Board is committed to reviewing its size periodically and currently considers 12 to 15 directors to be an appropriate range for the Board, taking into account, among other things, the size of the Corporation, the mix of background and skills required for the stewardship of the Corporation and the importance of maintaining and fostering relationships with the Corporation's strategic shareholders. As circumstances change from time to time, the Corporate Governance Committee shall make recommendations regarding increasing or decreasing the size of the Board.

3.3 Chair and Secretary. The Chair of the Board shall be an independent non-executive director, selected by the Board from among its members. The Secretary of the Corporation will serve as Secretary to the Board.

3.4 Composition. The Board shall be composed of individuals of integrity, who shall together embody a blend of knowledge, skills, characteristics, experiences and perspectives appropriate for the Corporation. The Board shall have an appropriate balance of power and authority, such that no one individual or block of individuals can dominate Board decision-making.

3.5 Board Nominations. The Nominating Committee shall on an annual basis, in accordance with its Charter and in consultation with the Chair, recommend to the Board the individuals to be nominated as directors of the Corporation.

3.6 Selection Criteria. In arriving at its recommendations, the Nominating Committee will assess the general and specific criteria applicable to candidates to be considered for nomination to the Board, with a view to maintaining the composition of the Board in a way that provides the best mix of skills and experience to guide the long-term strategy and business operations of the Corporation. The review will take into account the desirability of maintaining a reasonable diversity of background skills and experience and personal characteristics among the directors, along with the key common characteristics required for effective Board participation. The Committee will have appropriate regard to the importance of ensuring board continuity, subject to performance and eligibility for re-election. The Nominating Committee is responsible for reviewing with the Board, on an annual basis, whether the Board continues to satisfy the non-executive majority requirement.

3.7 Election, Term and Vacancy. The nominees selected by the Board in accordance with the provisions hereof will be proposed for election by the shareholders at the Corporation's annual general meeting and will hold office until the next annual meeting or their resignation. Between annual meetings of shareholders, the Board may appoint directors to serve until the next such meeting.

3.8 Change in Circumstances. Any executive director whose employment at the Corporation terminates for any reason (including normal retirement) is expected to resign promptly from the Board unless expressly otherwise agreed in advance. Any director who has a change of employer or primary occupation, or whose occupational responsibilities are substantially changed from when the director was elected to the Board (excluding retirement), will offer his or her resignation to the Board for consideration, to give the Board an opportunity to review the continued appropriateness of Board membership under such circumstances.

3.9 Service on Other Boards. Directors of the Corporation may serve on the boards of other companies; in light of the negative impact of competing time commitments when directors serve on multiple boards, directors are encouraged to limit the number of other boards on which they serve. The

Nominating Committee and the Board will take into account the nature of and time involved in a director's service on boards of other companies in evaluating the suitability of individual directors for election or re-election. Directors shall advise the Chair of the Board prior to accepting an invitation to serve on another public company board or an appointment to serve on the audit or compensation committee of another public company board.

3.10 Director Orientation. The Corporate Governance Committee, in conjunction with the Chair and CEO, is responsible for ensuring that new directors are provided with an orientation and education program and for periodically providing materials for all directors on subjects relevant to their duties as Board members. Director orientation will include written information about the duties and obligations of directors and these Guidelines, presentations by senior management on the Corporation's strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its Code of Business Conduct and Ethics, its principal officers and its external auditors, as well as on-site tours of the Corporation's operations.

3.11 Ongoing Director Education. The Board recognizes the importance of ongoing director education and the need for each director to take personal responsibility for this process. To facilitate ongoing education, the Corporate Governance Committee will periodically canvass the directors to determine their training and education needs and interests, arrange the funding for the attendance of directors at seminars or conferences of interest and relevance to their position as directors of the Corporation and encourage and facilitate presentations by outside experts to the Board or committees on matters of interest or emerging significance.

3.12 Director Share Ownership. The Board has determined that ownership of the Corporation's shares by directors should be encouraged as one way of helping to align the interests of directors with those of shareholders. Absent general restrictions on share ownership arising by virtue of a director's professional or occupational circumstances, directors are, during their tenure as directors, required to maintain ownership of common shares of the Corporation equal in value to at least one times the amount of the annual retainer payable to them. The Corporate Governance Committee will periodically review and make recommendations to the Board as to what level of director share ownership is appropriate for the Corporation.

3.13 Loans. The Corporation does not make any personal loans or extensions of credit to directors or executive officers.

3.14 Performance Assessments. The Corporate Governance Committee and the Chair will facilitate annual assessments of the performance of the Board, Board committees and individual directors.

3.15 Outside Advisers for Individual Directors. Occasionally, individual Directors may need the services of a legal adviser, accountant or other outside expert to assist on matters involving their responsibilities. Any Director who wishes to engage an outside adviser at the expense of the Corporation must obtain the approval of the Corporate Governance Committee, generally in consultation with the Chair of the Board.

4. COMPENSATION

4.1 Compensation. The outside/independent directors of the Corporation are entitled to receive reasonable remuneration for their services as may be determined by the Board from time to time on the recommendation of the Compensation Committee as well as reimbursement of expenses incurred on Corporation business or in attending Board and Board committee meetings. A meaningful portion of compensation will be in the form of share options or other equity-based incentives to better align the

interests of the Directors with those of the Corporation's shareholders. Directors who are also executive officers will not receive compensation for their services as directors in addition to the compensation received by them in their capacities as officers.

4.2 Annual Review. The Compensation Committee will review at least annually and make recommendations to the Board regarding the cash and non-cash remuneration, perquisites and other benefits to be paid for the services of the outside/independent Directors. In making its recommendations, the Committee will have regard to the form and amount of remuneration paid to directors of comparable companies, to current market practices, and to any other factors consistent with the principles set out herein which it deems appropriate.

5. OPERATIONS

5.1 Meetings. The Board will meet as frequently as is determined to be necessary but not less than four times per year, usually every quarter. The Chair, in consultation with the CEO, will develop the agenda for each Board meeting. All directors may, and are encouraged to, provide input to the agenda.

5.2 Notice. Under normal circumstances, the date, time and place of a regular meeting of the Board will be fixed and notified not less than five business days in the advance of the meeting and the agenda and supporting material will be distributed not less than four business days before the meeting.

5.3 Quorum and Procedure. A majority of the members of the Board constitutes a quorum for the transaction of business at all meetings of the Board. Except as expressly provided herein or in the Corporation's by-laws or as required by applicable law, rule, regulation or listing standards, the Board shall set its own procedure.

5.4 Attendance at Meetings. Directors are expected to attend all meetings of the Board and the Committees on which they serve, to come to such meetings fully prepared and to remain in attendance for the duration of the meeting. Where a director's absence from a meeting is unavoidable, the director should as soon as practicable after the meeting contact the Chair, the CEO or the Secretary of the Corporation for a briefing on the substantive elements of the meeting.

5.5 Confidentiality. Directors will maintain the absolute confidentiality of Board deliberations and decisions and information received at meetings except to the extent the information is publicly disclosed by the Corporation or as may be required by applicable law or as the Chair may otherwise specify.

5.6 Independent Director Meetings. The independent directors shall meet as a group, without the presence of management or non-independent directors, at every quarterly Board meeting or more frequently as needed, under the leadership of the Chair.

5.7 Attendance by Management and Others. The Board appreciates the value of having non-directors attend Board meetings to provide information and opinions to assist the directors in their deliberations. The Board, through the Chair, may request that any officers or other employees of the Corporation, or any other persons whose advice and counsel are sought by the Board, attend any meeting of the Board to provide such pertinent information as the Board requests. No non-director may attend a Board meeting without the prior approval of the Chair.

5.8 Information for Board Meetings. Whenever practicable, information and reports pertaining to Board meeting agenda items will be circulated to the Directors in advance of the meeting.

Such materials should be concise, yet complete, with one or more summary pages, and be prepared in a way to focus attention on critical issues to be considered by the Board. Reports may be presented during Board meetings by members of the Board, management and/or staff or by invited outside advisers. It is recognized that, under some circumstances, due to the confidential nature of matters discussed at a meeting, it would not be prudent or appropriate to distribute written material in advance.

5.9 Conflicts. Directors must never be in an undisclosed conflict of interest with the Corporation. A director who has a real or potential conflict of interest regarding any particular matter under consideration should advise the Board or Board Committee, as the case may be, refrain from debate and abstain from voting on the matter and, in most cases, should leave the meeting while the remaining directors discuss and vote on such matter.

6. COMMITTEES

6.1 Committees. The Board in its discretion and subject to the provisions of applicable laws, regulations and listing requirements may form and delegate authority to Committees. The Board currently has the following standing committees - Audit, Compensation, Corporate Governance and Nominating, Safety, Health and Environment, and Technical Operations. Other Committees may be established from time to time by Board resolution.

6.2 Charters. Each standing Committee shall have its own written charter, adopted by the Board, setting forth the purposes, goals and responsibilities of the Committee as well as the qualifications for Committee membership and procedures for appointment, Committee structure and operations, and Committee duties and responsibilities. The charters will also provide that each Committee will annually evaluate its own performance and report its conclusions and recommendations for change to the Board for review, discussion and approval.

6.3 Composition and Chairs. The Audit, Compensation and Corporate Governance and Nominating Committees will each be composed solely of three or more independent non-executive directors, and will each be chaired by one such independent non-executive director. The Safety, Health and Environment and Technical Operations Committees will comprise three directors, a majority of whom will be non-executive directors, and will each be chaired by one such non-executive director. Subject to the foregoing, each Committee will appoint its own chair from among its members.

6.4 Selection and Rotation of Members. The Corporate Governance Committee will recommend Committee members to the Board in accordance with the provisions of these Guidelines and the applicable Committee charter, after consultation with the Chair and the CEO and taking into consideration the desires of individual Board members. Although rotation of directors among committees is not mandatory, the Corporate Governance Committee will give due consideration to any benefits of periodic rotation in making its recommendations to the Board. Each member of the Committee will serve until his or her successor is elected or appointed or until such member's resignation or removal by a majority vote of the Board.

6.5 Committee Guidelines. All Board Committees operate under the following guidelines:

- (a) Each Committee will meet at least once a year or more frequently as deemed necessary by the Committee. Committee chairs, in consultation with appropriate members of management, will set the agenda for Committee meetings.
- (b) A majority of the members of a Committee constitutes a quorum for the transaction of business at all meetings of the Committee.

- (c) A Committee chair may invite such director or, in consultation with the CEO, such employees of the Corporation as may be considered desirable to attend Committee meetings and assist in the discussion and consideration of the business of the Committee.
- (d) A Committee may from time to time require the expertise of outside resources. Each committee has the authority to engage, set the terms of and compensate any outside advisor that it determines to be necessary to permit it to carry out its duties.
- (e) At the next Board meeting following each meeting of a Committee, the Committee chairs will report to the Board on the activities of the Committee. Minutes of Committee meetings will be made available to all directors and filed with the Secretary of the Corporation.
- (f) Each Committee will conduct an annual performance assessment and shall report to the Board the results thereof.
- (g) Each Committee will annually assess the adequacy of its charter and recommend any changes to the Board for approval.
- (h) The proceedings of all Committee meetings will be minuted. The Secretary of the Corporation, or such other individual as may be appointed by the chair of the Committee, will act as secretary to each Committee.

6.6 Responsibilities of Committee Chairs. The chair of each Committee will:

- (a) lead the Committee in undertaking the duties and responsibilities that it is charged with by the Board as outlined in its charter;
- (b) ensure that Committee members receive in a timely fashion all the information they require;
- (c) ensure that the Committee has adequate access to all members of management necessary for it to undertake its responsibilities;
- (d) set agendas for and chair Committee meetings;
- (e) lead the Committee in an annual review of its performance; and
- (f) ensure the Committee comprises members with the requisite skill, experience and training relative to the Committee's responsibilities.

7. OTHER

7.1 CEO Evaluation. The Compensation Committee will conduct an annual review of the CEO's performance and report its assessments and decisions to the full Board for its review.

7.2 Code of Business Conduct and Ethics. All Directors, officers and employees are bound by the Corporation's Code of Business Conduct and Ethics. All who are affected by the Code are required to review it annually, and acknowledge their support and understanding thereof by signing it annually.

7.3 Reporting of Concerns. Consistent with the Corporation's 'whistleblower' policies and procedures, any employee who has a concern with respect to any activities of the Corporation, the honesty or integrity of any officer or employee of the Corporation, or the Corporation's financial reporting, accounting, internal accounting or other controls or any matters relating to the Corporation's financial statements or any audit or financial review by the Corporation's internal audit function or independent auditors, may communicate that concern directly to the chair of the Audit Committee. Mechanisms under such policies and procedures shall exist to provide that any such communication shall be confidential and anonymous. The Company shall implement procedures to prohibit any officer or employee from retaliating or taking any adverse action against any employee who raises or helps to resolve any concern so communicated.

7.4 Publication of Guidelines and Charters. Copies of these Guidelines, the charters of each Committee of the Board, the Corporation's Code of Business Conduct and Ethics and the Confidentiality, Disclosure and Insider Trading Policy of the Corporation shall be available on the Corporation's website at all times.

7.5 Review of Guidelines. The Corporate Governance Committee will review these Guidelines periodically and any recommended changes will be submitted to the Board for approval.

