

News Release

August 13, 2012

Uranium One Announces 28% Increase in Q2 2012 Production to 3.0 Million Pounds; Average Total Cash Costs of \$16 per Pound

Toronto, Ontario – Uranium One Inc. (“Uranium One”) today reported quarterly revenue of \$96.8 million for Q2 2012 based on sales of 1.9 million pounds at an average realized sales price of \$52 per pound. Attributable production for the quarter was 3.0 million pounds at an average total cash cost per pound sold of \$16.

Q2 2012 Highlights

Operational

- Total attributable production during Q2 2012 was 3.0 million pounds, 28% higher than total attributable production of 2.4 million pounds during Q2 2011.
- Record quarterly production achieved at South Inkai, Zarechnoye, Kharasan, Willow Creek and Honeymoon during Q2 2012.
- The average total cash cost per pound sold was \$16 per pound during Q2 2012 compared to \$15 per pound during Q2 2011.
- The Willow Creek Mine was successfully commissioned and reached commercially viable production levels during Q2 2012.
- Production of sulphuric acid commenced in July 2012 at the Corporation’s SKZ-U joint venture.

Financial

- Attributable sales volumes for Q2 2012 were 1.9 million pounds, compared to 2.0 million pounds sold during Q2 2011.
- Revenue was \$96.8 million in Q2 2012, compared to \$112.9 million in Q2 2011. The average realized sales price during Q2 2012 was \$52 per pound compared to \$58 per pound in Q2 2011. The average spot price in Q2 2012 was \$51 per pound.
- Earnings from mine operations were \$40.1 million during Q2 2012, a 35% decrease compared to earnings from mine operations of \$61.7 million in Q2 2011.
- The net earnings for Q2 2012 were \$29.2 million or \$0.03 per share, compared to net earnings of \$29.7 million or \$0.03 per share for Q2 2011.

- The adjusted net earnings for Q2 2012 were \$8.8 million or \$0.01 per share, compared to adjusted net earnings of \$27.5 million or \$0.03 per share for Q2 2011.

Corporate

- At its 36th Session in St. Petersburg, the UNESCO World Heritage Committee approved an application by the Tanzanian Government for a minor adjustment to the boundary of the Selous Game Reserve, removing the Mkuju River Project and an adjacent buffer zone from the Selous Game Reserve World Heritage Site.
- The Corporation signed a coordination agreement with ARMZ which sets out a framework for enhanced coordination and integration between the parties.
- The Corporation and Mitsui have negotiated the terms of Mitsui's withdrawal from the Honeymoon Joint Venture subject to required Australian regulatory approval, which is expected to be received in Q3 2012.

Chris Sattler, Chief Executive Officer of Uranium One, commented:

“Uranium One achieved another solid operational performance with record production from five of our mines during Q2 2012. We also achieved an important milestone with the commencement of commercial production from our Willow Creek mine in the United States.”

Outlook

- The uranium spot market continues to trade at stable levels, currently at \$49 to \$50 per pound on very thin volumes. Medium to longer term fundamentals continue to be positive. Japan has begun to slowly restart its nuclear reactors, and global demand for uranium continues to grow as a result of the increasing reliance on nuclear power in emerging markets including those of China, India, Russia, South Korea and the Middle East.
- The Corporation's total attributable production guidance for 2012 and 2013 remains at 11.6 million and 12.5 million pounds respectively.
- The Corporation's guidance for the average cash cost per pound sold in 2012 remains unchanged at \$19 per pound.
- Sales volumes for 2012 are heavily weighted towards the second half of the year. The Corporation expects attributable sales to be approximately 11.0 million and 12.5 million pounds in 2012 and 2013 respectively.
- The Corporation expects to incur attributable capital expenditures in 2012 of \$114 million for wellfield development and \$115 million for plant and equipment, totalling \$229 million for its assets in Kazakhstan, the United States and Australia.

- In 2012, general and administrative expenses, excluding non-cash items, are expected to be approximately \$39 million and exploration expenses are expected to be \$11 million.

Q2 2012 Operations and Projects

During Q2 2012, Uranium One achieved attributable production of 3.0 million pounds, an increase of 28% over attributable production of 2.4 million pounds for the comparable period in 2011.

Operational results for Uranium One's assets during Q2 2012 were:

Asset	Q2 Attributable Production (lbs U ₃ O ₈)	Q2 Total Cash Costs (per lb sold U ₃ O ₈)
Akdala	473,100	\$13
South Inkai	923,700	\$19
Karatau	623,700	\$10
Akbastau	389,500	\$11
Zarechnoye	292,900	\$23
Kharasan	113,500	N/A
Willow Creek ⁽¹⁾	133,900	\$36
Honeymoon	70,000	N/A

(1) Attributable production includes production during commissioning and commercial production. Willow Creek reached commercial production levels effective from May 1, 2012 and its sales and production results are included in the operating results for the periods after this date.

Q2 2012 Financial Review

Revenue was \$96.8 million in Q2 2012, compared to \$112.9 million in Q2 2011. The average realized sales price during Q2 2012 was \$52 per pound. The average spot price in Q2 2012 was \$51 per pound.

Operating expenses per pound sold were \$16 for Q2 2012 compared to \$15 in Q2 2011.

Earnings from mine operations were \$40.1 million during Q2 2012, a 35% decrease compared to earnings from mine operations of \$61.7 million in Q2 2011, primarily due to a lower realized sales price.

Attributable inventory as at June 30, 2012 was 5.1 million pounds, which includes work in progress as well as finished product. Finished product at conversion facilities awaiting pre-scheduled deliveries into sales contracts was 1.0 million at June 30, 2012.

Net earnings for Q2 2012 were \$29.2 million or \$0.03 per share, compared to net earnings of \$29.7 million or \$0.03 per share for Q2 2011.

Adjusted net earnings for Q2 2012 were \$8.8 million or \$0.01 per share, compared to adjusted net earnings of \$27.5 million or \$0.03 per share for Q2 2011.

Consolidated cash and cash equivalents were \$460.2 million as at June 30, 2012 compared to \$619.0 million at December 31, 2011. Working capital was \$615.6 million at June 30, 2012.

The following table provides a summary of key financial results:

FINANCIAL	Q2 2012	Q2 2011	YTD 2012	YTD 2011
Attributable production (lbs) ⁽¹⁾	2,798,800	2,240,900	5,371,300	4,549,100
Attributable sales (lbs) ⁽¹⁾	1,883,600	1,952,100	3,693,000	3,633,700
Average realized sales price (\$ per lb) ⁽²⁾	52	58	53	59
Average total cash cost per pound sold (\$ per lb) ⁽²⁾	16	15	15	15
Revenues (\$'millions)	96.8	112.9	192.7	214.8
Earnings from mine operations (\$'millions)	40.1	61.7	89.4	112.9
Net earnings (\$'millions)	29.2	29.7	33.7	43.7
Net earnings per share – basic and diluted (\$ per share)	0.03	0.03	0.04	0.05
Adjusted net earnings (\$'millions) ⁽²⁾	8.8	27.5	23.9	42.5
Adjusted net earnings per share – basic (\$ per share) ⁽²⁾	0.01	0.03	0.02	0.04

- (1) Attributable production and sales are from assets owned and in commercial production during the period. Willow Creek reached commercial production levels effective from May 1, 2012 and its sales and production results are included in the operating results for the periods after this date.
- (2) The Corporation has included non-GAAP performance measures: average realized sales price per pound, cash cost per pound sold, adjusted net earnings and adjusted net earnings per share. In the uranium mining industry, these are common performance measures but do not have any standardized meaning, and are non-GAAP measures. The Corporation believes that, in addition to conventional measures prepared in accordance with GAAP, the Corporation and certain investors use this information to evaluate the Corporation's performance and ability to generate cash flow. The additional information provided herein should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. See "Non-GAAP Measures".

The following table provides a reconciliation of adjusted net earnings to the consolidated financial statements:

US DOLLARS IN MILLIONS EXCEPT PER SHARE AMOUNTS	3 MONTHS ENDED		6 MONTHS ENDED	
	JUN 30, 2012 \$*MILLIONS	JUN 30, 2011 \$*MILLIONS	JUN 30, 2012 \$*MILLIONS	JUN 30, 2011 \$*MILLIONS
Net earnings	29.2	29.7	33.7	43.7
Fair value adjustments	0.3	(3.4)	0.3	(3.4)
Care and maintenance costs	0.4	0.4	0.9	0.7
Corporate development expenditure	0.5	0.2	2.4	0.9
Restructuring costs	-	0.6	-	0.6
Ruble bond hedge accounting adjustments	(11.2)	-	(3.0)	-
Non-recurring income tax adjustment	(10.4)	-	(10.4)	-
Adjusted net earnings	8.8	27.5	23.9	42.5
Adjusted net earnings per share – basic (\$)	0.01	0.03	0.02	0.04
Adjusted net earnings per share – diluted (\$)	0.01	0.03	0.02	0.04
Weighted average number of shares (millions) – basic	957.2	957.2	957.2	957.2
Weighted average number of shares (millions) – diluted	1,039.7	1,049.7	1,039.7	1,049.7

The financial statements, as well as the accompanying management’s discussion and analysis, are available for review at www.uranium1.com and should be read in conjunction with this news release. All figures are in U.S. dollars unless otherwise indicated. All references to pounds sold or pounds produced are to pounds of U₃O₈.

Conference Call Details

Uranium One will be hosting a conference call and webcast to discuss the second quarter 2012 results on Tuesday, August 14, 2012 starting at 10:00 a.m. (Eastern Time). Participants may join the call by dialing toll free 1-888-231-8191 or 1-647-427-7450 for local calls or calls from outside Canada and the United States. A live webcast of the call will be available through CNW Group’s website at www.newswire.ca or at Uranium One’s website at www.uranium1.com.

A recording of the conference call will be available for replay for a two week period beginning at approximately 11:30 p.m. (Eastern Time) on August 14, 2012 by dialing toll free 1-855-859-2056 or 1-416-849-0833 for local calls or calls from outside Canada and the United States. The pass code for the replay is 14518487. A replay of the webcast will be available through a link on our website at www.uranium1.com

About Uranium One

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

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Cautionary Statement

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

Investors are advised to refer to independent technical reports containing detailed information with respect to the material properties of Uranium One. These technical reports are available under the profile of Uranium One Inc. at www.sedar.com. Those technical reports provide the date of each resource or reserve estimate, details of the key assumptions, methods and parameters used in the estimates, details of quantity and grade or quality of each resource or reserve and a general discussion of the extent to which the estimate may be materially affected by any known environmental, permitting, legal, taxation, socio-political, marketing, or other relevant issues. The technical reports also provide information with respect to data verification in the estimation.

Forward-looking statements: This press release contains certain forward-looking statements. Forward-looking statements include but are not limited to those with respect to the price of uranium, the estimation of mineral resources and reserves, the realization of mineral reserve estimates, the timing and amount of estimated future production, the timing of uranium processing facilities being fully operational, costs of production, capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, currency fluctuations, market conditions, corporate plans, objectives and goals, requirements for additional capital, government regulation of mining operations, the estimation of mineral resources and reserves, the realization of resource and reserve estimates, environmental risks, unanticipated reclamation expenses, the timing and potential effects of proposed acquisitions, title disputes or claims and limitations on insurance coverage and the timing and possible outcome of pending litigation. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes" or variations of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Uranium One to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others, the completion of the projects described in this press release, the future steady state production and cash costs of Uranium One, the actual results of current exploration activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, possible variations in grade and ore densities or recovery rates, failure of plant, equipment or processes to operate as anticipated, possible shortages of sulphuric acid in Kazakhstan, possible changes to the tax code in Kazakhstan, accidents, labour disputes or other risks of the mining industry, delays in obtaining government approvals or financing or in completion of development or construction activities, risks relating to the integration of acquisitions and the realization of synergies relating thereto, to international operations, to prices of uranium, as well as those factors referred to in the section entitled "Risk Factors" in Uranium One's Annual Information Form for the year ended December 31, 2011, which is available on SEDAR at www.sedar.com, and which should be reviewed in conjunction with this document. Although Uranium One has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.

Accordingly, readers should not place undue reliance on forward-looking statements. Uranium One expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

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