

Uraniumletter INTERNATIONAL

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Shift in uranium output from traditional to emerging countries

While world production of uranium oxide (U₃O₈) has been rather stable in the last few years, but showing an increase to 43,930 tonnes in 2008 from 41,120 tonnes in 2007, there is a clear shift of U₃O₈ output becoming visible from traditional major producing countries **Canada** and **Australia**, with 2008 U₃O₈ production of 9,000 tonnes (20% of total world production) and 8,430 tonnes (19% of total world production), respectively.

The growth leaders of the future will be **Kazakhstan**, forecasting its production to surge by more than 40% to 9,400 tonnes in 2009 and planning to mine 15,000 tonnes of U₃O₈ by 2010, thereby passing Canada as the world's premier uranium producer. Also **Russia**, **Namibia**, and **Niger** will show a strong growth.

7 countries account for 88% of global uranium production

2008 World Uranium Production by Country

Country	tonnes U	% of World
Canada	9,000	20%
Kazakhstan	8,521	19%
Australia	8,430	19%
Namibia	4,366	10%
Russia	3,521	8%
Niger	3,032	7%
Uzbekistan	2,338	5%
USA	1,430	3%
Ukraine	800	2%
China	769	2%
South Africa	655	1%
Brazil	330	1%
India	271	1%
Czech Republic	263	1%
Others	204	0.5%
Total	43,930	100%

► Future growth leaders:

Kazakhstan

Forecasts production to surge by more than 40% to 9,400 tonnes in 2009 and plans to mine 15,000 tonnes of uranium by 2010 and 27,000 tonnes by 2015-16.

Russia

Expected production up to 4,000 tonnes 2009, respectively, seeking to boost output to 20,000 tonnes by 2024.

Namibia

Expects to increase production by about a third, thanks to the development of Paladin's Langer Heinrich Deposit and Areva's Trekkopje Project.

Niger

Areva's Imouran Project will almost double the country's uranium output to 5,000 tonnes U₃O₈ per year.



Niger, Africa's second largest uranium producer

Niger, which became independent from France in 1960 and has a democratic government, is the world's 6th largest uranium producer. Output in 2008 was 3,032 tonnes, representing 7% of total world uranium production.

Areva's Arlette and **Akoula mines**, responsible for 100% of Niger's uranium production, had a 100,000 tonnes cumulative output in the last 40 years.

Uranium mining accounts for 72% of Niger's export.

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Producing mines and deposits in Niger typically grade from 0.1% to 0.42% U3O8, with the higher grades being mined at greater depths.

Niger, which has a well established mining infrastructure, offers a strong government support for expanding mining.

In 2006, Niger created a **Mining Code** to encourage foreign investment. Under the Mining Code 185 exploration licences were granted.

Cameco, the world's largest uranium producer, has formed a Strategic Alliance with non-listed **GoviEx** in **August 2008**, whereby Cameco purchased approximately 11% of GoviEx for \$ 28 million.

GoviEx's properties **Madaouela** and **Anou Nelle** are located approximately 10 kilometres from Areva's high-grade **Arlette** and **Akoula** mines.

Uranium was discovered at **Azelik** in Niger in 1957 by the **French Bureau de Recherches Geologiques et Miniers** (BRGM), looking for copper.

The French Atomic Energy Commission (CEA) initiated further studies.

Further discoveries in sandstone followed including at **Abokurum** (1959), **Madaouela** (1963), **Arlette**, **Ariege**, **Artois & Tassa/Taza** (1965), **Imouraren** (1966) and **Akouta** (1967).

Currently, Niger has two significant uranium mines, the **Arlette** and **Akoula** deposits run by **Areva**, the world's second largest uranium producer, and providing approximately 7% of world uranium output.

Overviews of publicly listed uranium exploration companies in Niger

September 1, 2009	Trade symbol		Share price		Change in %	12 months		Net shares issued million	Market cap. million
			current	year-end '08		H	L		
			£	£		£	£		£ mln
Niger Uranium	URU	AIM	0.32	0.04	700	0.36	0.04	113.2	36.2
			A\$	A\$		A\$	A\$		A\$ mln
NGM Resources	NGM	ASX	0.17	0.01	1600	0.27	0.01	175.2	29.8
			Cdn\$	Cdn\$		Cdn\$	Cdn\$		Cdn\$ mln
NWT Uranium	NWT	TSX.V	0.15	0.05	200	0.18	0.02	126.1	18.9
North Atlantic Resources	NAC	TSX	0.05	0.04	25	0.20	0.02	25.7	1.3
Global Uranium	GU	TSX.V	0.03	0.02	50	0.12	0.02	22.7	0.7