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investing in our energy

management's discussion and analysis

Management's Discussion and Analysis

Set out below is a review of the activities, results of operations and financial condition of Uranium One Inc. ("Uranium One") and its subsidiaries (collectively, the "Corporation") for the three and nine months ended September 30, 2011, together with certain trends and factors that are expected to impact the rest of its 2011 financial year. Information herein is presented as of November 7, 2011 and should be read in conjunction with the interim consolidated financial statements of the Corporation for the three and nine months ended September 30, 2011 and the notes thereto (referred to herein as the "consolidated financial statements"). The Corporation's consolidated financial statements and the financial data set out below have been prepared in accordance with International Financial Reporting Standards ("IFRS") or ("GAAP"). All amounts are in US dollars and tabular amounts are in millions, except where otherwise indicated. Canadian dollars are referred to herein as C$. Australian dollars are referred to herein as A$. The functional currency of Uranium One is the Canadian dollar.

References herein to "Q3 2010" and "Q3 2011" refer to the three months ended September 30, 2010 and September 30, 2011, respectively. All references herein to pounds are pounds of U_3O_8.

The common shares of Uranium One are listed on the Toronto and Johannesburg stock exchanges ("TSX" and "JSE", respectively). Uranium One's convertible unsecured subordinated debentures due December 31, 2011 and March 13, 2015 are also listed on the TSX.

Additional information about the Corporation and its business and operations can be found in its continuous disclosure documents. These documents, including the consolidated financial statements and the Corporation's annual information form, are filed with Canadian securities regulatory authorities and are available under the Corporation's profile at www.sedar.com.

This Management's Discussion and Analysis includes certain forward-looking statements. Please refer to "Forward-Looking Statements and Other Information".

HIGHLIGHTS

Operational

- Total attributable production during Q3 2011 was a record 2.5 million pounds, 47% higher than total attributable production of 1.7 million pounds during Q3 2010. Attributable production during October 2011 was 1.0 million pounds.

- The average total cash cost per pound sold was $14 during Q3 2011, 17% higher than the average cash cost per pound sold during Q3 2010.

- 42% increase in Measured and Indicated resources at the Mkuju River Project from 65.5 million pounds to 93.3 million pounds. Inferred resources are 26.1 million pounds.

Financial

- Attributable sales volumes during Q3 2011 were a record 3.1 million pounds, 82% higher than 1.7 million pounds sold during Q3 2010.

- Revenue was a record $157.7 million in Q3 2011, 116% higher than $73.1 million in Q3 2010. The average realized sales price during Q3 2011 was $51 per pound compared to $43 per pound in Q3 2010. The average spot price in Q3 2011 was $51 per pound.

- Earnings from mine operations were $73.7 million during Q3 2011, a 164% increase from earnings from mine operations of $27.9 million in Q3 2010 due to increased sales volumes and an increase in the realized sales price.

- Net earnings were $45.8 million during Q3 2011 or $0.05 per share, compared to net loss of $44.8 million or $0.08 per share during Q3 2010.

- Adjusted net earnings were $46.2 million during Q3 2011 or $0.05 per share, compared to an adjusted net loss of $6.3 million or $0.01 per share in Q3 2010.

OUTLOOK

- The serious incident at Fukushima is continuing to have a near-term impact on uranium demand due to loss of capacity, program delays and extended outages due to inspections and upgrades; however, broader growth rates for nuclear power remain robust on the strength of the emerging markets of China, India, Russia and the Middle East. The Corporation believes that market conditions will continue to be favourable for lower cost, diversified producers like Uranium One.

- The Corporation's total attributable production guidance remains at 10.5 million pounds for 2011. Total attributable production for 2012 and 2013 is estimated to be 11.6 million and 12.5 million pounds respectively.

- During 2012, the average cash cost per pound sold is expected to be approximately $19 per pound, compared to guidance of $18 per pound during 2011.

- 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.

KEY STATISTICS

TOTAL ATTRIBUTABLE PRODUCTION	Q3 2011	Q2 2011	Q1 2011	Q4 2010	Q3 2010
Attributable commercial production (lbs)					
Akdala	496,100	480,100	407,500	453,200	448,000
South Inkai	690,800	620,700	669,800	782,700	770,300
Karatau	691,900	568,800	633,000	769,500	473,300
Akbastau (1)	261,700	325,000	366,900	16,700	-
Zarechnoye (1)	211,400	246,300	231,000	16,300	-
Subtotal	***2,351,900***	***2,240,900***	***2,308,200***	***2,038,400***	***1,691,600***
Attributable production during commissioning (lbs)					
Kharasan	90,400	78,700	71,100	68,400	55,100
Willow Creek	57,500	42,800	16,500	-	-
Honeymoon	22,700	-	-	-	-
	170,600	***121,500***	***87,600***	***68,400***	***55,100***
Total attributable production	***2,522,500***	***2,362,400***	**2,395,800**	**2,106,800**	**1,746,700**

Note:

(1) Akbastau and Zarechnoye were acquired on December 27, 2010. Production for Q4 2010 therefore represents the period from acquisition to December 31, 2010

FINANCIAL	Q3 2011	Q3 2010	YTD 2011	YTD 2010
Attributable production (lbs) (1)	2,351,900	1,691,600	6,901,000	5,190,900
Attributable sales (lbs) (1)	3,086,500	1,701,300	6,720,200	3,983,200
Average realized sales price ($ per lb) (2)	51	43	56	44
Average cash cost of production sold ($ per lb)(2)	14	12	14	14
Revenues ($ millions)	157.7	73.1	372.5	174.6
Earnings from mine operations ($ millions)	73.7	27.9	186.6	62.2
Net earnings / (loss) ($ millions)	45.8	(44.8)	89.5	(40.8)
Net earnings / (loss) per share – basic and diluted ($ per share)	0.05	(0.08)	0.09	(0.07)
Adjusted net earnings / (loss) ($ millions)(2)	46.2	(6.3)	85.9	(6.2)
Adjusted net earnings / (loss) per share – basic and diluted ($ per share)(2)	0.05	(0.01)	0.09	(0.01)

Notes:

(1) Attributable production and sales are from assets owned and in commercial production during the period (For Q3 2011: Akdala, South Inkai, Karatau, Akbastau and Zarechnoye; for Q3 2010: Akdala, South Inkai and Karatau only).

(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".

OVERVIEW

Uranium One is a Canadian corporation engaged through subsidiaries and joint ventures in the mining and production of uranium, and in the acquisition, exploration and development of properties for the production of uranium in Kazakhstan, the United States, Australia and Canada.

Through the Betpak Dala joint venture, Uranium One owns a 70% interest in the Akdala and South Inkai Uranium Mines in Kazakhstan. The Corporation holds a 50% interest in the Karatau joint venture, which owns the Karatau uranium mine in Kazakhstan, a 50% interest in the Akbastau joint venture, which owns the Akbastau uranium mine in Kazakhstan, a 49.67% interest in the Zarechnoye joint venture, which owns the Zarechnoye uranium mine in Kazakhstan and a 30% interest in the Kyzylkum joint venture, which owns the Kharasan Project in Kazakhstan. In the United States, the Corporation owns projects in the Powder River and Great Divide Basins in Wyoming. The Corporation owns a 51% interest in the Honeymoon Uranium Project in Australia. The Corporation owns, either directly or through joint ventures, a large portfolio of uranium exploration properties in the western United States, South Australia and Canada. The Corporation owns a 19% interest in the SKZ-U joint venture, which is constructing a sulphuric acid plant in Kazakhstan.

Since June 7, 2011, the Corporation has been the operator of the Mkuju River Project in Tanzania.

The following are the Corporation's principal mineral properties and operations (discussed in more detail below):

Operating mines

Entity	Mine	Location	Status	Ownership
Betpak Dala LLP	Akdala Uranium Mine	Kazakhstan	Producing	70% J.V. interest
Betpak Dala LLP	South Inkai Uranium Mine	Kazakhstan	Producing	70% J.V. interest
Karatau LLP	Karatau Uranium Mine	Kazakhstan	Producing	50% J.V. interest
Akbastau JSC	Akbastau Uranium Mine	Kazakhstan	Producing	50% J.V. interest
Zarechnoye JSC	Zarechnoye Uranium Mine	Kazakhstan	Producing	49.67% J.V. interest

Advanced development projects

Entity	Project	Location	Status	Ownership
Kyzylkum LLP	Kharasan Uranium Project	Kazakhstan	Commissioning(1)	30% J.V. interest
Uranium One Americas, Inc.	Willow Creek Project	USA	Commissioning(2)	100% interest
Uranium One Australia (Proprietary) Ltd.	Honeymoon Uranium Project	Australia	Commissioning(3)	51% J.V. interest

The Corporation is also developing the following mineral properties:

Entity	Project	Location	Status	Ownership
Uranium One Americas, Inc.	Powder River Basin, Wyoming (Moore Ranch, Ludeman, Allemand-Ross, and Barge)	USA	Development	100% interest
Uranium One Americas, Inc.	Great Divide Basin, Wyoming (JAB and Antelope)	USA	Development	100% interest

Notes:

(1) The Kharasan Uranium Project has commenced production but is in the commissioning stage. Commissioning will be completed when a pre-defined operating level, based on the design of the plant, is maintained and the Kazakhstan Government has issued an operating license.

(2) Commissioning at the Willow Creek Project commenced in December 2010 with operation of the initial well field at Christensen Ranch. Commissioning will be completed when a pre-defined operating level, based on the design of the plant, is maintained.

(3) Commissioning at the Honeymoon Project commenced in September 2011. Commissioning will be completed when a pre-defined operating level, based on the design of the plant, is maintained.

REVIEW OF OPERATIONS

AKDALA URANIUM MINE

Akdala is an operating acid in situ recovery ("ISR") uranium mine located in the Suzak region of South Kazakhstan, owned indirectly as to 70% by the Corporation through the Betpak Dala joint venture, a Kazakhstan registered limited liability partnership ("Betpak Dala"). The other 30% interest is owned by JSC NAC Kazatomprom ("Kazatomprom"), a Kazakhstan state-owned company responsible for the mining and exporting of uranium in Kazakhstan.

Pursuant to the terms of its subsoil use contract, the permitted production rate at the Akdala Mine is 2,600,000 pounds (1,000 tonnes uranium ("U")) per year.

Production: Akdala produced 708,700 pounds (273 tonnes U) during Q3 2011, of which 496,100 pounds (191 tonnes U) is attributable to the Corporation. During October 2011, Akdala produced 278,700 pounds (107 tonnes U), of which 195,100 pounds (75 tonnes U) is attributable to the Corporation.

Operations: The following is a summary of the operational statistics (100%) for Akdala over the last four quarters:

	Total wells completed (including production wells)	Average no. of production wells in operation	Average flow rate (m^3/hour)	Concentration in solution (mg U/l)	Production (lbs)
Q4 2010	65	209	1,677	65	647,500
Q1 2011	56	209	1,763	64	582,100
Q2 2011	86	220	1,885	65	685,800
Q3 2011	68	232	1,885	67	708,700

A total of 68 wells were installed during Q3 2011. The program for 2011 provides for the installation of 247 wells to achieve the production target for the year.

Acidification of three production blocks commenced during the quarter. An additional ion exchange column was installed to increase capacity for the anticipated increased flow from the new wellfields. The average flow rates, concentration in solution and production for Q3 2011 is in line with the plan for the year.

Akdala contracted an engineering company in Kazakhstan to design a satellite plant to facilitate treatment of solutions from production blocks located approximately 15 kilometres to the east of the current central processing facilities in an area known as Letniy. The approval of detailed design of the satellite plant was received during Q2 2010. Construction of the satellite plant started during the quarter and is scheduled for completion in 2012. Key equipment for the satellite plant has been ordered. Production from new well fields in the Letniy area is expected to commence by the end of 2012.

Capital expenditure incurred up to September 30, 2011 was $5.5 million. Capital expenditure incurred by Betpak Dala at Akdala in 2011 is expected to be approximately $17.3 million on a 100% basis, revised from the previous estimate of $35 million due to the deferral of construction of the Letniy satellite plant resulting from a delay in receiving all required state approvals. $11.5 million is now planned to be spent on the construction of satellite plant and fixed asset purchases during 2011, with the balance expected to be spent on well-field development and resource definition drilling. The construction of the satellite plant was partially deferred to 2012, due to delays in state approvals.

AKDALA URANIUM MINE - continued

Financial information: The following table shows the attributable production, sales and production cost trends for Akdala over the prior eight quarters:

(All figures are the Corporation's attributable share)	3 months ended							
	Sep 30, 2011	Jun 30, 2011	Mar 31, 2011	Dec 31, 2010	Sep 30, 2010	Jun 30, 2010	Mar 31, 2010	Dec 31, 2009 [1]
Production in lbs	496,100	480,100	407,500	453,200	448,000	489,200	489,900	531,100
Sales in lbs	728,900	258,200	73,400	870,800	214,000	611,700	212,500	710,400
Inventory in lbs	936,800	1,173,800	956,000	626,300	1,047,700	808,000	936,000	666,600
Revenues ($'millions)	38.3	15.8	4.5	47.9	11.3	26.0	8.8	32.8
Operating expenses ($'millions)	9.5	3.7	0.9	10.9	2.6	7.3	2.8	8.6
Operating expenses ($/lb sold)	13	14	13	13	12	12	13	12
Depreciation ($'millions)	7.5	2.7	0.8	8.9	2.3	6.0	2.0	7.2
Depreciation ($/lb sold)	10	11	11	10	11	10	10	10

Note:

[1] Information for periods prior to January 1, 2010, the date of the Corporation's transition to IFRS, has been prepared in accordance with Canadian generally accepted accounting principles then applicable and has not been restated to comply with IFRS.

Uranium revenues are recorded upon delivery of product to utilities and intermediaries and do not occur evenly throughout the year. Timing of deliveries is usually at the contracted discretion of customers within a quarter or similar time period. Annual sales of product from a mine, which is normally achieved from opening inventory plus a percentage of forecast production for the year, does not always occur evenly throughout the year and can vary significantly from quarter to quarter as illustrated in the table above.

Changes in revenues, net earnings / loss and cash flow are therefore affected primarily by fluctuations in contracted deliveries of product from quarter to quarter, as well as by changes in the price of uranium.

The cash cost of production for Q3 2011 at $13 per pound sold is in line with the Corporation's guidance of $14 per pound sold.

SOUTH INKAI URANIUM MINE

South Inkai is an operating ISR uranium mine located in the Suzak region of South Kazakhstan, owned indirectly as to 70% by the Corporation through the Betpak Dala joint venture. The other 30% interest is held by Kazatomprom.

The design capacity of the South Inkai mine is 5,200,000 pounds (2,000 tonnes U) per year. It is expected that the annualized rate of production will reach this level in 2012.

Production: Production from South Inkai was 986,800 pounds (380 tonnes U) in Q3 2011, of which 690,800 pounds (266 tonnes U) is attributable to the Corporation. During October 2011 South Inkai produced 371,900 pounds (143 tonnes U), of which 260,300 pounds (100 tonnes U) is attributable to the Corporation.

Operations: The following is a summary of the operational statistics (100%) for South Inkai over the last four quarters:

	Total wells completed (including production wells)	Average no. of production wells in operation	Average flow rate (m^3/hour)	Concentration in solution (mg U/l)	Production (lbs)
Q4 2010	59	280	2,568	73	1,118,100
Q1 2011	137	294	2,784	67	957,000
Q2 2011	156	309	2,787	57	886,700
Q3 2011	148	360	3,230	55	986,800

A total of 148 wells were installed during Q3 2011. The program for 2011 provides for the installation of 472 wells to achieve the production target for the year.

Four production blocks were acidified and were placed into production during the quarter. Acidification of six new production blocks commenced during the quarter. The new blocks achieved lower than expected concentration in solution, decreasing the average concentration. The average flow rate is being increased by the drilling of additional wells, and additional ion-exchange columns are being installed, which will increase the capacity to process the increased flow from the additional wellfields. These measures are expected to counteract the decrease in the concentration in solution.

Capital expenditure incurred up to September 30, 2011 was $23 million. Capital expenditure incurred by Betpak Dala at South Inkai in 2011 is expected to be approximately $30 million on a 100% basis, revised from the previous estimate of $49 million due to the partial deferral of construction of additional drying facilities into 2012. $22 million is related to well-field development and resource definition drilling and $8 million is related to construction activities and fixed asset purchases.

Financial information: The following table shows the attributable production, sales and production cost trends for South Inkai over the prior eight quarters:

(All figures are the Corporation's attributable share)	3 months ended							
	Sep 30, 2011	Jun 30, 2011	Mar 31, 2011	Dec 31, 2010	Sep 30, 2010	Jun 30, 2010	Mar 31, 2010	Dec 31, 2009 (1)
Production in lbs	690,800	620,700	669,800	782,700	770,300	769,700	771,700	547,000
Sales in lbs	666,800	726,800	924,100	965,300	436,400	645,800	420,100	535,700
Inventory in lbs	1,162,000	1,138,100	1,245,400	1,500,200	1,684,900	1,360,200	1,230,100	903,900
Revenues ($'millions)	37.4	43.0	60.6	50.8	20.6	28.6	21.2	25.7
Operating expenses ($'millions)	12.5	12.0	15.3	15.1	8.1	13.2	9.6	11.2
Operating expenses ($/lb sold)	19	17	17	16	18	20	23	21
Depreciation ($'millions)	7.1	8.1	9.9	10.9	5.4	7.5	5.7	8.8
Depreciation ($/lb sold)	11	11	11	11	12	12	14	16

Note:

(1) Information for periods prior to January 1, 2010, the date of the Corporation's transition to IFRS, has been prepared in accordance with Canadian generally accepted accounting principles then applicable and has not been restated to comply with IFRS.

The cash cost of production for Q3 2011 at $19 per pound sold is in line with the Corporation's guidance of $19 per pound sold for the year.

KARATAU URANIUM MINE

Karatau is an operating ISR uranium mine located in the Chu Sary Su basin in the Suzak region, South Kazakhstan Oblast, owned indirectly as to 50% by the Corporation through the Karatau joint venture. The other 50% interest is held by Kazatomprom.

Pursuant to the terms of its subsoil use contract, the permitted production rate at the Karatau mine is 5,200,000 pounds (2,000 tonnes U) per year.

Production: Production from Karatau was 1,383,700 pounds (532 tonnes U) in Q3 2011, of which 691,900 pounds (266 tonnes U) is attributable to the Corporation. During October 2011 Karatau produced 538,800 pounds (207 tonnes U), of which 269,400 pounds (104 tonnes U) is attributable to the Corporation.

Operations: The following is a summary of the operational statistics (100%) for Karatau over the last four quarters:

	Total wells completed (including production wells)	Average no. of production wells in operation	Average flow rate (m^3/hour)	Concentration in solution (mg U/l)	Production (lbs)
Q4 2010	73	135	1,448	182	1,538,900
Q1 2011	45	123	1,404	175	1,265,900
Q2 2011	97	114	1,283	157	1,137,500
Q3 2011	111	128	1,637	149	1,383,700

A total of 111 wells were installed during Q3 2011. The program for 2011 provides for the installation of 282 wells to achieve the production target for the year.

Acidification of two new production blocks commenced and three production blocks were placed into production during Q3 2011. Production in Q2 2011 was negatively affected by unscheduled repairs to the settling pond. The repairs have now been completed.

Capital expenditure incurred up to September 30, 2011 was $29 million. Capital expenditure incurred by Karatau in 2011 is expected to be approximately $40 million on a 100% basis, revised from the previous estimate of $50 million, of which $25 million is related to well-field development and resource definition drilling and $15 million is related to construction activities and fixed asset purchases.

Financial information: The following table shows the attributable production, sales and production costs for Karatau since the acquisition of Karatau on December 21, 2009:

	3 months ended							Period ended
(All figures are the Corporation's attributable share)	**Sep 30, 2011**	**Jun 30, 2011**	**Mar 31, 2011**	**Dec 31, 2010**	**Sep 30, 2010**	**Jun 30, 2010**	**Mar 31, 2010**	**Dec 31, 2009**
Production in lbs	691,900	568,800	633,000	769,500	473,300	521,100	458,600	73,100
Sales in lbs	1,084,700	211,900	448,400	899,000	1,050,900	260,000	131,800	252,800
Inventory in lbs	551,200	944,000	587,200	402,600	533,800	1,111,300	866,900	540,000
Revenues ($'millions)	51.4	10.5	23.2	47.3	41.2	11.4	5.5	10.7
Operating expenses ($'millions)	9.9	1.7	3.6	7.5	9.0	1.8	1.6	3.1
Operating expenses ($/lb sold)	9	8	8	8	9	7	12	12
Depreciation ($'millions)	17.7	3.6	7.7	16.2	17.8	5.6	4.1	7.6
Depreciation ($/lb sold)	16	17	17	18	17	22	31	30

Notes:

(1) Attributable values since the acquisition date of December 21, 2009

(2) Information for periods prior to January 1, 2010, the date of the Corporation's transition to IFRS, has been prepared in accordance with Canadian generally accepted accounting principles and has not been restated to comply with IFRS.

The cash cost of production for Q3 2011 at $9 per pound sold is below the Corporation's expectation due to lower than expected expenditure during the period ended September 30, 2011.

AKBASTAU URANIUM MINE

Akbastau is an operating ISR uranium mine located in the Chu Sary Su basin in the Suzak region, South Kazakhstan Oblast, owned indirectly as to 50% by the Corporation through the Akbastau joint venture. The other 50% interest is held by Kazatomprom.

Akbastau is licensed to mine 4,992,000 pounds (1,920 tonnes U) per year from sections 1 and 3 of the Budenovskoye deposit. Akbastau is also planning on commencing production from section 4 of the Budenovskoye deposit following receipt of required regulatory approvals. Akbastau is adjacent to the Karatau mine, which is licensed to mine section 2 within the southern subfield of the Budenovskoye deposit. Akbastau entered into a toll processing agreement with Karatau under which solutions mined at Akbastau are currently processed at Karatau.

Production: Production from Akbastau was 523,400 pounds (201 tonnes U) in Q3 2011, of which 261,700 pounds (101 tonnes U) is attributable to the Corporation. During October 2011 Akbastau produced 274,500 pounds (106 tonnes U), of which 137,200 pounds (53 tonnes U) is attributable to the Corporation.

Operations: The following is a summary of the operational statistics (100%) for Akbastau since acquisition:

	Total wells completed (including production wells)	Average no. of production wells in operation	Average flow rate (m^3/hour)	Concentration in solution (mg U/l)	Production (lbs)
Q4 2010[1]	7	47	387	288	33,400
Q1 2011	52	57	546	259	733,800
Q2 2011	69	62	500	229	650,000
Q3 2011	20	62	560	165	523,400

Note:

(1) Since the acquisition date of December 27, 2010.

A total of 20 wells were installed during Q3 2011. The program for 2011 provides for the installation of 141 wells to achieve the production target for the year.

Acidification of three new production blocks commenced during Q3 2011, of which two were placed into production during October. The concentration in solution decreased as some of the wells are nearing the end of their production life. It is expected that the installation of the new wells will increase the concentration in solution.

Capital expenditure incurred up to September 30, 2011 was $23 million. Capital expenditure incurred by Akbastau in 2011 is expected to be $27 million on a 100% basis, revised from the previous estimate of $97 million, of which $23 million is for well field development and resource definition drilling and $4 million for the construction of processing facilities and infrastructure. The planned production expansion activities, to increase production to 7.8 million pounds (3,000 tonnes U), have been deferred until receipt of the required licences.

Financial information: The following table shows the attributable production, sales and production costs for Akbastau since acquisition on December 27, 2010:

	3 months ended			Period ended
(All figures are the Corporation's attributable share)	**Sep 30, 2011**	**Jun 30, 2011**	**Mar 31, 2011**	**Dec 31, 2010 [1]**
Production in lbs	261,700	325,000	366,900	16,700
Sales in lbs	303,700	491,000	129,600	-
Inventory in lbs	382,500	425,900	594,800	360,500
Revenues ($'millions)	14.4	25.1	8.2	-
Operating expenses ($'millions)	4.0	5.7	1.7	-
Operating expenses ($/lb sold)	13	11	13	-
Depreciation ($'millions)	5.0	4.9	6.4	-
Depreciation ($/lb sold)	16	10	49	-

Note:

(1) Attributable values since the acquisition date of December 27, 2010

Up to Q1 2011, depreciation recognized include fair value adjustments processed against finished product on hand on the acquisition date. The fair value adjustment is recognised as non-cash depreciation with the subsequent sale of the inventory.

The cash cost of production for Q3 2011 at $13 per pound sold is below the Corporation's expectation due to lower than expected expenditure during the period ended September 30, 2011.

ZARECHNOYE URANIUM MINE

Zarechnoye is an operating ISR uranium mine located in the Syrdarya basin in the Otrar region, South Kazakhstan Oblast. The Corporation has a 49.67% indirect interest in the Zarechnoye uranium mine through its 49.67% interest in the Zarechnoye joint venture. Kazatomprom owns a 49.67% share of the Zarechnoye joint venture and the remaining shareholding is held by a Kyrgyz company.

The design capacity of the Zarechnoye mine is 2,522,000 pounds (970 tonnes U) per year. It is expected that the annualized rate of production will reach this level in 2012. In addition, potential production from a satellite deposit known as South Zarechnoye could be 1,600,000 pounds (615 tonnes U) per year following additional resource definition drilling and receipt of applicable permits.

Production: Production from Zarechnoye was 425,600 pounds (164 tonnes U) in Q3 2011, of which 211,400 pounds (81 tonnes U) is attributable to the Corporation. During October 2011 Zarechnoye produced 141,200 pounds (54 tonnes U), of which 70,100 pounds (27 tonnes U) is attributable to the Corporation.

Operations: The following is a summary of the operational statistics (100%) for Zarechnoye since acquisition:

	Total wells completed (including production wells)	Average no. of production wells in operation	Average flow rate (m^3/hour)	Concentration in solution (mg U/l)	Production (lbs)
Q4 2010[(1)]	1	153	2,293	48	32,600
Q1 2011	81	154	2,231	42	465,000
Q2 2011	85	166	2,382	38	495,800
Q3 2011	128	162	2,462	32	425,600

Note:
(1) Since the acquisition date of December 27, 2010.

A total of 128 wells were installed during Q3 2011. The program for 2011 provides for the installation of 320 wells to achieve the production target for the year.

Acidification of two new production blocks commenced and two blocks were placed into production during Q3 2011. An additional ion exchange column was installed to increase capacity for the increased flow from the new wellfields.

Capital expenditure incurred up to September 30, 2011 was $21 million. Capital expenditure incurred by Zarechnoye in 2011 is expected to be $30 million on a 100% basis, of which $21 million is for well field development and $9 million for resource definition drilling.

Financial information: The following table shows the attributable production, sales and production costs for Zarechnoye since acquisition on December 27, 2010:

	3 months ended			Period ended
(All figures are the Corporation's attributable share)	**Sep 30, 2011**	**Jun 30, 2011**	**Mar 31, 2011**	**Dec 31, 2010 (1)**
Production in lbs	211,400	246,300	231,000	16,300
Sales in lbs	302,400	264,200	106,100	143,300
Inventory in lbs	109,400	202,900	224,000	103,600
Revenues ($'millions)	16.2	18.5	5.4	6.3
Operating expenses ($'millions)	6.3	5.4	1.8	2.3
Operating expenses ($/lb sold)	21	20	17	16
Depreciation ($'millions)	4.5	3.4	2.6	3.9
Depreciation ($/lb sold)	15	14	22	27

Note:
(1) Attributable values since the acquisition date of December 27, 2010

Up to Q1 2011, depreciation includes fair value adjustments processed against finished product on hand on the acquisition date. The fair value adjustment was recognized as non-cash depreciation with the subsequent sale of the inventory.

The cash cost of production for Q3 2011 at $21 per pound sold for Q3 2011 is in line with the guidance of $21 per pound sold.

REVIEW OF DEVELOPMENT PROJECTS - KAZAKHSTAN

KHARASAN URANIUM PROJECT

Kharasan is an ISR uranium development project located in the Suzak region of South Kazakhstan, owned indirectly as to 30% by the Corporation through the Kyzylkum joint venture ("Kyzylkum"), a Kazakhstan registered limited liability partnership. The remaining interests are owned as to 30% by Kazatomprom and as to 40% by Energy Asia (BVI) Ltd., which is owned by a consortium of Japanese utilities and a trading company.

The design capacity of Kharasan is 5,200,000 pounds (2,000 tonnes U) per year, with a current installed capacity of 2,600,000 pounds (1,000 tonnes U) per year.

Production in commissioning: Production in commissioning from Kharasan was 301,300 pounds (116 tonnes U) during Q3 2011, of which 90,400 pounds (35 tonnes U) is attributable to the Corporation. During October 2011 Kharasan produced 101,200 pounds (39 tonnes U), of which 30,400 pounds (12 tonnes U) is attributable to the Corporation.

Operations: The following is a summary of the operational statistics for Kharasan (on a 100% basis) over the last four quarters:

	Total wells completed (including production wells)	Average no. of production wells in operation	Average flow rate (m^3/hour)	Concentration in solution (mg U/l)	Production (lbs)
Q4 2010	-	75	556	69	227,900
Q1 2011	29	77	552	84	237,100
Q2 2011	114	86	581	80	262,300
Q3 2011	85	88	642	84	301,300

Acidification of three additional production blocks commenced during Q3 2011. A total of 85 wells were installed during Q3 2011. The program for 2011 provides for the installation of 294 wells.

Capital expenditure incurred up to September 30, 2011 was $17.5 million. Capital expenditure for Kharasan in 2011 is expected to be approximately $27 million on a 100% basis, revised from the previous estimate of $30 million, of which $21 million is related to well field development and resource definition drilling and $6 million for the construction of infrastructure and fixed asset purchases.

SULPHURIC ACID SUPPLY IN KAZAKHSTAN

In Kazakhstan, ISR uranium operations are highly dependent on sulphuric acid for the extraction of uranium from the host ore body. The supply of sulphuric acid is therefore of critical importance to the Corporation's operations in Kazakhstan.

Although the supply of sulphuric acid is not a cause of immediate concern to the Corporation, the Corporation has identified logistical and transport issues which influence the availability of sulphuric acid to its mines. With the ongoing increase in uranium production in Kazakhstan, the ability to handle supplies, in particular sulphuric acid, is limited by storage capacity at transhipment locations.

The sulphuric acid supply was less than expected up to September 2011, due to shortages being experienced in Kazakhstan. The shortages were caused by one of the producers performing maintenance on its furnaces, which requires a temporary shutdown of operations, and the allocation of sulphuric acid to fertilizing companies during the sowing season. Kharasan and Zarechnoye, which owns transhipment bases used for storage, are affected to a lesser extent. Offsetting the shortages of domestic sulphuric supply, Zarechnoye, Betpak Dala and Karatau secured additional supply of acid from Russia.

In addressing this storage problem, Kazatomprom has built additional storage of 600 m^3 at Taukent and 600 m^3 at the Shieli freight handling centres. An additional two storage tanks of 600 m^3 capacity each have been constructed at South Inkai, with commissioning planned for Q4 2011. A further 2,400 m^3 storage capacity is now approved and operational at the Zhanakorgan transhipment base with an approval to construct tanks for a further 7,200 m^3 of acid storage.

Existing sulphuric acid producers in Kazakhstan are projected to increase acid production by 350,000 tonnes in 2011. With nearly all the acid supply coming from within Kazakhstan in 2011, transportation demands for acid rolling stock has been reduced.

SULPHURIC ACID PLANT

The Corporation's SKZ-U joint venture with Kazatomprom and its other joint venture partners continue to advance the development of a sulphuric acid plant near Kharasan at Zhanakorgan. The Corporation's ownership percentage in SKZ-U is 19%. The total construction cost of the plant is expected to be approximately $199 million, of which approximately 66% has been funded by the joint venture partners to date, with the balance funded by the partners through debt financing. Production of sulphuric acid is expected to commence in 2012. The Corporation has funded $21.5 million of its debt obligation to date towards the construction of the sulphuric acid plant. The balance of approximately $13 million will be funded by the end of 2011.

The power generation building is 80% complete, and the acid production facility is 85% complete. In Q3 2011, the general contractor continued work on installation of gas ducts, pipe rails, welding tests and weld repairs. The administration building and intermediate storage facility has been completed.

Construction of infrastructure facilities such as the access road, enclosed warehouse storage, rail spur, temporary camps, power and water supply have been completed. A water pond has also been constructed with the piping to be installed during the plant construction stage.

Capital expenditure incurred up to September 30, 2011 was $45.0 million. Capital expenditure incurred by SKZ-U in 2011 is expected to be approximately $107 million on a 100% basis, revised from the previous estimate of $111 million.

REVIEW OF DEVELOPMENT PROJECTS – UNITED STATES

POWDER RIVER BASIN, WYOMING

WILLOW CREEK URANIUM PROJECT

Willow Creek is an ISR uranium development project located in Johnson and Campbell Counties in the Powder River Basin. The project includes the licensed and permitted Irigaray ISR central processing plant, the Christensen Ranch satellite ISR facility and associated uranium ore bodies, collectively referred to as the Willow Creek Project.

The current design capacity of Willow Creek is 1,300,000 pounds U_3O_8 (500 tonnes U) per year. The Corporation plans to expand the processing capacity at the Willow Creek central plant in line with the U.S. Nuclear Regulatory Commission ("NRC") licensed capacity of 2,500,000 pounds U_3O_8 (962 tonnes U) per year by incorporating a vacuum dryer that was purchased for use at the Corporation's Moore Ranch project.

Production in commissioning: Production in commissioning from Willow Creek was 57,500 pounds (22 tonnes U) during Q3 2011. During October 2011 Willow Creek produced 29,800 pounds (11 tonnes U).

Operations: The following is a summary of the operational statistics for Willow Creek:

	Total wells completed (including production wells)	Average no. of production wells in operation	Average flow rate (m^3/hour)	Concentration in solution (mg U/l)	Production (lbs)
Q1 2011	67	18	103	28	16,500
Q2 2011	68	49	302	26	42,800
Q3 2011	74	80	391	26	57,500

A total of 74 wells were completed during Q3 2011. Installation of additional wells and associated surface facilities is ongoing.

Capital expenditure incurred up to September 30, 2011 was $14 million. Capital expenditure of approximately $24 million is expected to be incurred by the Corporation's Powder River Basin properties during 2011, revised from the previous estimate of $27 million. $17 million is related to wellfield development, $2 million for the expansion of the Christensen Ranch satellite facility and $5 million for other construction activities and fixed asset purchases.

REVIEW OF DEVELOPMENT PROJECTS – AUSTRALIA

HONEYMOON URANIUM PROJECT

The Honeymoon Uranium Project is located in South Australia, approximately 75 kilometres northwest of the city of Broken Hill, New South Wales. The Corporation owns 51% of the Honeymoon Uranium Project Joint Venture, which owns the Honeymoon Uranium Project. The remaining 49% of the joint venture is owned by Mitsui & Co., Ltd, ("Mitsui") who, in October 2008, committed A$104 million towards the purchase of its interest in Uranium One Australia's business and the development of the Honeymoon Uranium Project.

The project has a design capacity of 880,000 pounds per year, with an expected mine life (including production ramp-up) of six years.

Production in commissioning: Production in commissioning from Honeymoon was 44,500 pounds (17 tonnes U) during Q3 2011, of which 22,700 pounds (9 tonnes U) is attributable to the Corporation. During October 2011 Honeymoon produced 25,300 pounds (10 tonnes U), of which 12,900 pounds (5 tonnes U) is attributable to the Corporation.

	Total wells completed (including production wells)	Average no. of production wells in operation	Average flow rate (m^3/hour)	Concentration in solution (mg U/l)	Production (lbs)
Q3 2011	-	10	175	86	44,500

10 production wells were placed into production during Q3 2011. It is expected that an additional wellfield will go into production during Q4 2011 and the calcium removal from groundwater will commence on a third wellfield.

Capital expenditure incurred by the Corporation on its Honeymoon project up to September 30, 2011 was A$8.8 million. Capital expenditure of approximately A$20 million on a 100% basis is expected to be incurred by the Corporation's Honeymoon project during 2011, of which A$10 million is related construction activities and A$10 million for wellfield development and fixed asset purchases.

CORPORATE

OPTION AGREEMENT TO ACQUIRE MANTRA RESOURCES LIMITED

Following the announcement on December 15, 2010 that ARMZ had entered into a definitive agreement to acquire all of the issued shares of Mantra Resources Limited ("Mantra"), Uranium One and ARMZ jointly announced that they had entered into an option agreement to allow Uranium One to acquire Mantra from ARMZ. Mantra's core asset is the Mkuju River Project in Tanzania. The joint strategy of Uranium One and ARMZ is to create a diversified uranium production company with high quality mines and development projects.

On March 21, 2011, Uranium One announced that Mantra and ARMZ revised the terms of the agreement, which also resulted in a revised option agreement with ARMZ. On June 7, 2011, ARMZ completed the acquisition of Mantra, and Uranium One became the operator of Mantra's Mkuju River Project in Tanzania pursuant to agreements entered into with ARMZ in connection with the closing. As operator of the project, Uranium One will be responsible to provide funding for the project and consequently entered into a loan agreement with Mantra on June 6, 2011.

Pursuant to the revised option agreement with ARMZ, Uranium One has a call option to acquire Mantra from ARMZ, exercisable at any point up to June 7, 2012, with the ability to extend the term of the option by 12 months provided that Uranium One partially exercises its call option and acquires approximately 15% of the shares of Mantra for $150 million before January 31, 2012. The agreement also provides ARMZ with a put option to sell Mantra to Uranium One at the end of the option term. The option to acquire the remaining 85% interest in Mantra, or 100% if the option is not partially exercised, is subject to Uranium One minority shareholder approval.

The purchase price to be paid will be equal to ARMZ's acquisition cost of Mantra of approximately $1.0 billion, additional expenditures contributed and expenses paid by ARMZ, and interest accrued on the foregoing at a rate of 2.65% per annum.

MKUJU RIVER PROJECT

The Mkuju River Project is a large scale uranium development project located in southern Tanzania. Current activity at the Project is focused on licensing and permitting. Earlier this year, the Tanzanian Government submitted an application to the UNESCO World Heritage Committee ("WHC") for a minor adjustment of the boundary of the adjacent Selous Game Reserve to ensure Project activities did not adversely impact the adjacent Reserve, a World Heritage Site comprising some 5 million hectares. At its annual meeting in June 2011, the WHC referred the application for further review, including a visit by the International Union for Conservation and Nature to the Project area later this year.

In the meantime, additional exploration work on the project is being conducted in the area of the expected Special Mining License. The Corporation expects work to commence later this year to upgrade certain sections of the access road leading to the Project area. In addition, a definitive feasibility study relating to the Project is being prepared by Uranium One and is expected to be finalized by the end of the first quarter of 2012.

RESOURCE ESTIMATE

CSA Global Pty Ltd. ("CSA") has provided the Corporation with an updated NI 43-101 compliant mineral resource estimate as at September 27, 2011 for the Mkuju River Project ("Mkuju River"). The updated mineral resource estimate incorporates a cut-off grade of 100 ppm U_3O_8, additional drilling data and the use of Uniform Conditioning ("UC") grade estimation methodology.

Mineral Resource estimate	Tonnage (million tonnes)	Grade (U_3O_8 ppm)	Contained U_3O_8 (million pounds)
Measured resource	80.3	313	55.3
Indicated Resource	59.3	291	38.0
Total Measured & Indicated	**139.6**	**303**	**93.3**
Inferred resource	42.5	278	26.1

Notes: Reported at a cut-off grade of 100 ppm U_3O_8. All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding. The resource estimate has been prepared by independent consultants CSA Global Pty Ltd ('CSA') under the supervision of Qualified Person Mr. Malcolm Titley and is reported in accordance with the Canadian National Instrument 43-101

Compared to the mineral resource estimate previously announced by Mantra in November 2010 (which used a cut-off grade of 200 ppm U_3O_8), the updated mineral resource estimate shows a 39% increase in the Measured Resource category to 55.3 million pounds and a 48% increase in the Indicated Resource category.

The updated mineral resource estimate also shows a reduction in Inferred Resources of 9.8 million pounds primarily resulting from the conversion of Inferred Resources into Indicated and Measured Resources. The updated resource model will form the basis for the definitive feasibility study being prepared on Mkuju River.

URANIUM MARKET

On March 11, 2011, north-eastern Japan suffered the devastating impacts of a 9.0 magnitude earthquake and subsequent tsunami. These events have, among other things, led to a reduction in uranium demand in Japan due to the permanent shutdown of the Fukushima Daiichi units and program delays or extended outages at other reactors. In the wake of Fukushima, most countries with nuclear power plants have embarked on comprehensive nuclear safety audits and reviews. These reviews have largely validated the safety of nuclear power whose record continues to compare favorably to the risks and environmental consequences of other energy sources. For example, the United States Nuclear Regulatory Commission's 90-day report on Fukushima concluded that the U.S. nuclear fleet (the world's largest) continues to be operated safely and reliably with robust defences and procedures in place. It did, however, recommend additional oversight, and some site-specific measures which will serve to further enhance the strong safety reputation of the industry.

While there may be some delays to nuclear power plants currently in the planning or permitting stages, the Corporation believes that reactors under construction around the world will continue to move ahead, particularly in the emerging markets of China, India, Russia, Korea and the Middle East, where over 55% of the new build is expected to occur. The nuclear programs of these countries are the energy cornerstones of their national economic policies and, while lessons from Fukushima will be incorporated, they have all reaffirmed their commitment to nuclear energy.

While the industry continues to assess the market impacts from Fukushima, Uranium One's expectation remains unchanged that uranium demand will be reduced downwards by 8% to 10% over the next decade (which still produces positive demand growth of around 3% per year over the same period). The uranium spot market has stabilized in a healthy trading range of between $49 and $55 per pound over the past several months (with strong price support seen at the $50 level). Published long term prices have decreased slightly to $63.00/lb U3O8 (UxC – 10/31/11). Decreased demand from Germany and Japan may moderate near term price increases, however, given the relative scarcity of high quality, new uranium development projects to replace existing mines and the expiration of the US/Russian HEU deal in 2013, long-term uranium market fundamentals should continue to be positive, particularly for diversified, low cost producers such as Uranium One.

SUMMARY OF QUARTERLY RESULTS

(US dollars in millions except per share and per lb amounts)	3 months ended							
	Sep 30, 2011 $	**Jun 30, 2011 $**	**Mar 31, 2011 $**	**Dec 31, 2010 $**	**Sep 30, 2010 $**	**Jun 30, 2010 $**	**Mar 31, 2010 $**	**Dec 31, 2009 (2) $**
Revenues	157.7	112.9	101.9	152.3	73.1	66.0	35.5	69.1
Net earnings / (loss)	45.8	29.7	14.0	(112.9)	(44.8)	5.4	(1.4)	179.6
Basic and diluted earnings / (loss) per share[1]	0.05	0.03	0.01	(0.17)	(0.08)	0.01	(0.00)	0.38
Total assets	2,975.9	2,972.3	2,990.7	2,958.1	2,032.0	2,028.6	2,124.9	2,149.1

Notes:

(1) The basic and diluted earnings / loss per share are computed separately for each quarter presented and therefore may not add up to the basic and diluted earnings / loss per share for the year ended December 31, 2010.

(2) Information for periods prior to January 1, 2010, the date of the Corporation's transition to IFRS, has been prepared in accordance with Canadian generally accepted accounting principles then applicable and has not been restated to comply with IFRS.

NON-GAAP MEASURES

ADJUSTED NET EARNINGS / LOSS

The Corporation has included the following non-GAAP performance measures throughout this document: adjusted net earnings / loss and adjusted net earnings / loss per share. Adjusted net earnings / loss and adjusted net earnings / loss per share do not have any standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures reported by other companies. The Corporation believes that, in addition to conventional measures prepared in accordance with GAAP, certain investors use this information to evaluate the Corporation's performance and ability to generate cash flow. This is provided as additional information and should not be considered in isolation of, or as a substitute for, measures of performance prepared in accordance with GAAP.

Adjusted net earnings / loss is calculated by adjusting the net profit / loss from continuing operations with, impairments, cost of suspension of operations, gains / losses from the sale of assets, corporate development expenditure, restructuring costs and the effect of the tax rate adjustments on future income tax liabilities. These items are added back due to their inherent volatility and / or infrequent occurrence.

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

	3 months ended		9 months ended	
	Sep 30, 2011 $'millions	Sep 30, 2010 $'millions	Sep 30, 2011 $'millions	Sep 30, 2010 $'millions
Net earnings	45.8	(44.8)	89.5	(40.8)
Fair value adjustments	(1.3)	30.8	(6.8)	13.7
Impairment of mineral interest, plant and equipment and closure costs	-	-	-	1.9
Corporate development expenditure	0.1	5.5	1.0	8.5
Restructuring costs	1.6	-	2.2	-
Loss on sale of available for sale securities	-	2.2	-	10.5
Adjusted net earnings / (loss)	**46.2**	**(6.3)**	**85.9**	**(6.2)**
Adjusted net earnings / (loss) per share – basic and diluted ($)	0.05	(0.01)	0.09	(0.01)
Weighted average number of shares (millions) – basic and diluted	957.2	588.0	957.2	587.7

AVERAGE REALIZED SALES PRICE PER POUND AND CASH COST PER POUND SOLD

The Corporation has included the following non-GAAP performance measures throughout this document: average realized sales price per pound and cash cost per pound sold. The Corporation reports total cash costs on a sales basis. 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. This is provided as additional information and should not be considered in isolation of, or as a substitute for, measures of performance prepared in accordance with GAAP.

As in previous periods, sales per pound and cash cost per pound sold are calculated by dividing the revenues and operating expenses found in the income statement in the consolidated financial statements by the pounds sold in the period.

RESULTS OF OPERATIONS AND DISCUSSION OF FINANCIAL POSITION

SELECTED FINANCIAL INFORMATION

The Corporation's consolidated financial statements and the financial data set out below have been prepared in accordance with GAAP. Uranium One and its operating subsidiaries use the United States dollar, the Kazakhstan tenge, the Australian dollar and the Canadian dollar as measurement currencies.

(US dollars in millions except per share and per lb amounts)	3 months ended		9 months ended	
	Sep 30, 2011 $	Sep 30, 2010 $	Sep 30, 2011 $	Sep 30, 2010 $
Revenue	157.7	73.1	372.5	174.6
Net earnings / (loss)	45.8	(44.8)	89.5	(40.8)
Adjusted net earnings / (loss)	46.2	(6.3)	85.9	(6.2)
Cash flows from operating activities	86.2	36.3	154.1	8.1
Earnings / (loss) per share - basic and diluted	0.05	(0.08)	0.09	(0.07)
Adjusted net earnings / (loss) per share – basic and diluted	0.05	(0.01)	0.09	(0.01)
Product inventory carrying value[(1)]	80.1	80.2	80.1	80.2
Total assets	2,975.9	2,032.0	2,975.9	2,032.0
Long term financial liabilities	666.3	833.3	666.3	833.3
Average realized uranium price per lb	51	43	56	44
Average spot price per lb	51	46	58	42
	Lbs	**Lbs**	**Lbs**	**Lbs**
Attributable sales volume	3,086,500	1,701,300	6,720,200	3,983,200
Attributable production volume	2,351,900	1,691,600	6,901,000	5,191,900
Attributable inventory[(1)]	3,141,900	3,266,400	3,141,900	3,266,400

Notes:

(1) Inventory as at September 30, 2010 is attributable to the Akdala, South Inkai and Karatau Uranium Mines. Inventory as at September 30, 2011 is attributable to the Akdala, South Inkai, Karatau, Akbastau and Zarechnoye Uranium Mines. Inventory is valued at the lower of average production cost and net realizable value. Revenue from production during commissioning of the Corporation's development projects is credited against capital expenditures.

RESULTS OF OPERATIONS

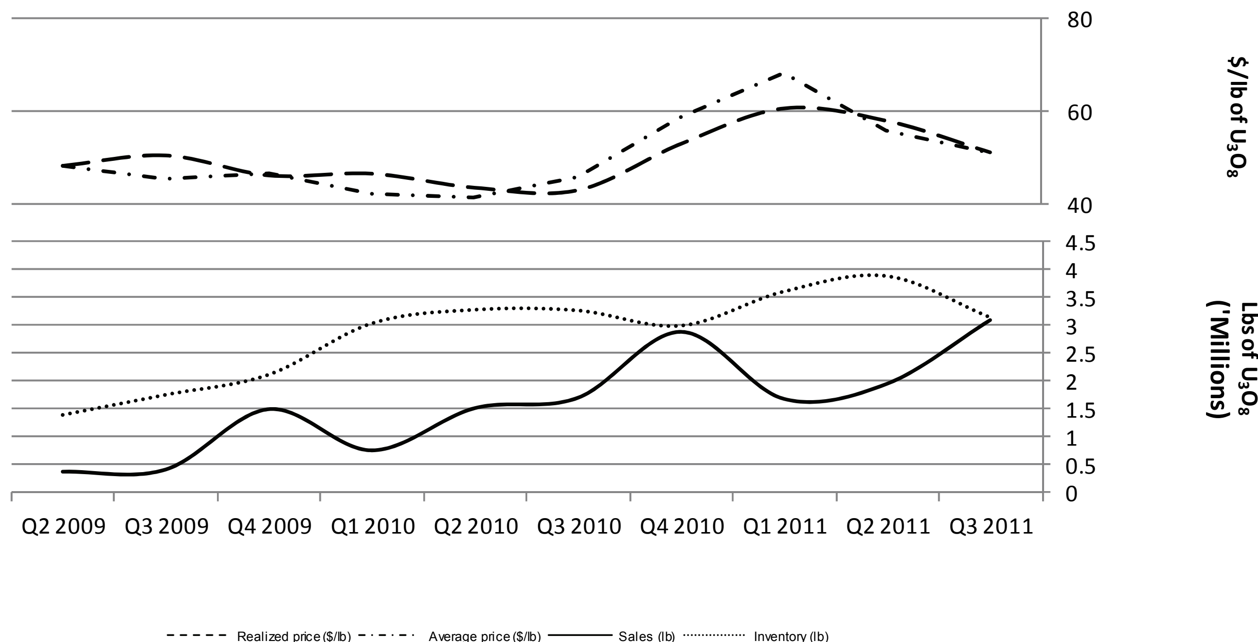
THREE MONTHS ENDED SEPTEMBER 30, 2011

URANIUM SALES, INVENTORY AND OPERATING COSTS

The Corporation's uranium sales, costs of uranium sales and earnings from mine operations were as follows:

	Q3 2011						Q3 2010			
	Akdala	South Inkai	Karatau	Akbastau	Zarechnoye	Total / Average	Akdala	South Inkai	Karatau	Total / Averag
Revenues	38.3	37.4	51.4	14.4	16.2	**157.7**	11.3	20.6	41.2	**73.1**
Attributable sales volumes (lb '000)	728.9	666.8	1,084.7	303.7	302.4	**3,086.5**	214.0	436.4	1,050.9	**1,701.3**
Average realized price ($/lb sold)						**51**				**43**
Average spot price ($/lb)						**51**				**46**
Closing spot price ($/lb)						**53**				**47**
Operating expenses ($million)	9.5	12.5	9.9	4.0	6.3	**42.2**	2.7	8.1	9.0	**19.7**
Operating expenses ($/lb sold)	13	19	9	13	21	**14**	12	19	9	**12**
Depreciation ($million)	7.5	7.1	17.7	5.0	4.5	**41.8**	2.3	5.5	17.6	**25.5**
Depreciation ($/lb sold)	10	11	16	16	15	**14**	11	13	17	**15**
Earnings from mine operations	21.3	17.8	23.8	5.4	5.4	**73.7**	6.3	7.0	14.6	**27.9**

The average realized uranium price per pound sold relative to the average spot price per pound, and the relationship between volumes sold and inventory, over the last eight quarters are as follows



Revenue of $157.7 million in Q3 2011 increased by 116% compared to the $73.1 million in Q3 2010, due to volume sold increasing by 1.4 million pounds (82% higher than in Q3 2010) and a $6 per pound increase in the average realized uranium price compared to Q3 2010.

The sales mix for Q3 2011 was 24% for Akdala, 24% for South Inkai, 33% for Karatau, 9% for Akbastau and 10% for Zarechnoye, compared to Q3 2010 where Akdala contributed 16%, South Inkai 28% and Karatau 56% of the sales. The sales mix is expected to align with the production ratio of each mine over time, influenced by the effect of long term contracts on inventory build-up.

Operating expenses per pound sold were $14 per pound in Q3 2011 and $12 per pound in Q3 2010.

There is possible volatility in operating expenses due to the timing of the acidification of new wellfields. Sulphuric acid use is higher during the initial acidification process, and the sulphuric acid cost per pound is higher during these periods. The Corporation carries inventory at the weighted average cost of production, calculated at various stages of the production process. As a result, the weighted average cost increases during periods with higher levels of acidification.

Attributable inventory increased from 2,992,700 pounds at December 31, 2010 to 3,141,900 pounds at September 30, 2011. The increase is due to production exceeding sales. The timing of sales is dependent on contract delivery dates.

GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses, including stock option and restricted share expenses of $2.3 million, was $14.3 million in Q3 2011, compared to $10.2 million in Q3 2010, including stock option and restricted share expenses of $2.1 million. General and administration expenses in Q3 2011 include restructuring cost of $1.6 million for moving the Corporation's head office from Vancouver to Toronto.

The general and administrative expense for Q3 2011 includes salaries and directors' fees of $5.3 million, consulting and advisor fees of $1.5 million, travel expenses of $1.9 million and office rent of $1.0 million.

EXPLORATION

The Corporation determines its discretionary exploration expenditure each year during its planning cycle. Exploration expenditure relates to exploration programs undertaken on the Corporation's tenures in the United States, Canada and Australia and was $0.8 million during Q3 2011, compared to $1.2 million during Q3 2010.

CARE AND MAINTENANCE, CLOSURE COSTS AND IMPAIRMENT

The Shootaring mill in Utah was placed on care and maintenance in 2008 as the Corporation concluded that it could not be operated economically with the currently available resource base.

Total care and maintenance costs in Q3 2011 were $0.2 million, compared to care and maintenance costs of $0.5 million for Q3 2010.

INTEREST AND OTHER

Interest income was $1.2 million in Q3 2011 and $1.9 million Q3 2010. In addition to the interest earned on loans to joint ventures, interest is earned on funds held on deposit by the Corporation.

Interest accrued on the Corporation's 2006 Debentures was $2.6 million in Q3 2011, compared to $2.5 million in Q3 2010. Interest accrued on the Corporation's 2010 Debentures was $6.2 million and $5.7 million in Q3 2011 and Q3 2010, respectively.

The JUMI debentures were redeemed during 2010, and accrued interest of $3.8 million during Q3 2010.

Interest on contingent payments decreased in Q3 2011 as the interest accrual on the Karatau contingent payment is offset by interest accrued on the receivable acquired as part of the ARMZ transaction during 2010.

Accrued interest increased to $1.0 million in Q3 2011 from $0.6 million in Q3 2010, mainly due to the increase in interest bearing liabilities of the Corporation's joint ventures.

FOREIGN EXCHANGE GAIN / LOSS

Foreign exchange gains during Q3 2011 were $9.7 million, compared to foreign exchange losses of $3.5 million in Q3 2010.

INCOME TAXES

The current income tax expense for Q3 2011 of $20.8 million mainly consists of income tax paid and payable in Kazakhstan on profits from the Corporation's mines in Kazakhstan. For Q3 2010 a $9.3 million income tax expense was recorded, mainly relating to the Akdala, South Inkai and Karatau mines.

The future income tax recovery in Q3 2011 of $4.6 million consists of the following:

- Recovery of future income tax liabilities of the Kazakhstan mines of $3.8 million. The recovery represents the depletion of the future income tax liabilities that were created on the acquisition of the mines in Kazakhstan, and was based on the excess purchase price paid on acquisition; and
- An increase of $0.8 million in future income tax assets due to temporary differences and tax loss carry forwards, which is set off against the future income tax liability.

NET EARNINGS / LOSS

The net earnings for Q3 2011 were $45.8 million or $0.05 per share, compared to net losses of $44.8 million or $0.08 per share for Q3 2010.

NINE MONTHS ENDED SEPTEMBER 30, 2011

URANIUM SALES, INVENTORY AND OPERATING COSTS

Revenue of $372.5 million for the nine months ended September 2011 increased by 113% compared to the $174.6 million for the nine months ended September 2010, due to volume sold increasing by 2.7 million pounds (68% higher than in the nine months ended September 30, 2010) and an increase in the average realized uranium price compared to Q3 2010.

Operating expenses per pound sold remained constant at $14 per pound for the nine months ended September 2011 compared to the nine months ended September 2010.

GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses, including stock option and restricted share expenses of $6.4 million, was $37.7 million for the nine months ended September 2011, compared to $29.6 million for the nine months ended September 2010, including stock option and restricted share expenses of $5.9 million.

The general and administrative expense for the nine months ended September 2011 includes salaries and directors' fees of $14.6 million, consulting and advisory fees of $4.9 million, travel expenses of $3.2 million and office rent of $2.4 million.

EXPLORATION

The Corporation determines its discretionary exploration expenditure each year during its planning cycle. Exploration expenditure relates to exploration programs undertaken on the Corporation's tenures in the United States, Canada and Australia and was $3.2 million during the nine months ended September 2011, compared to $3.5 million during the nine months ended September 2010.

CARE AND MAINTENANCE, CLOSURE COSTS AND IMPAIRMENT

The Shootaring mill in Utah was placed on care and maintenance in 2008 as the Corporation concluded that it could not be operated economically with the currently available resource base.

The Corporation incurred care and maintenance costs of $1.2 million on Dominion in the nine months ended 2010. The sale of Dominion was finalized during April 2010.

Total care and maintenance costs for the nine months ended September 2011 was $0.9 million, compared to care and maintenance costs of $2.5 million for the nine months ended September 2010.

During Q3 2010, the Corporation's carrying value for Dominion was impaired by $1.2 million to the agreed upon sale value of $37.3 million in Q1 2010, together with other impairments in Q2 2010, resulted in an impairment of $1.9 million in the nine months ended September 2010.

INTEREST AND OTHER

Interest income amounted to $5.0 million for the nine months ended September 2011, compared to $4.1 million for the nine months ended September 2010. In addition to the interest earned on loans to joint ventures, interest is earned on funds held on deposit by the Corporation.

Interest accrued on the Corporation's 2006 Debentures was $7.9 million for the nine months ended September 2011, compared to $7.4 million for the period ended September 2010. Interest accrued on the Corporation's 2010 Debentures was $18.0 million for the nine months ended September 2011 and $12.6 million for the nine months ended September 2010.

Interest accrued on the Corporation's JUMI debentures was $10.7 million for the nine months ended September 30, 2010. Interest on contingent payments decreased as the interest accrual on the Karatau contingent payment is offset with interest accrued on the receivable acquired as part of the ARMZ transaction during 2010.

FOREIGN EXCHANGE GAIN / LOSS

Foreign exchange gains during the nine months ended September 2011 were $4.1 million, compared to foreign exchange gains of $17.6 million for the nine months ended September 2010.

INCOME TAXES

The current income tax expense for the nine months ended September 2011 of $47.2 million mainly consists of income tax paid and payable in Kazakhstan on profits from the Corporation's mines. For the nine months ended September 2010 an $18.7 million income tax expense was recorded, mainly relating to the Akdala, South Inkai and Karatau mines.

The future income tax recovery for the nine months of $12.9 million mainly consists of the following:

- Recovery of future income tax liabilities of the Kazakhstan mines of $9.3 million. The recovery mainly represents the depletion of the future income tax liabilities that were created on the acquisition of the mines in Kazakhstan, and was based on the excess purchase price paid on acquisition; and
- An increase of $3.6 million in future income tax assets due to temporary differences and tax loss carry forwards, which is set off against the future income tax liability.

NET EARNINGS / LOSS

The net earnings for the nine months ended September 2011 were $89.5 million or $0.09 per share, compared to losses of $40.8 million or $0.07 per share for the nine months ended September 2010.

FINANCIAL CONDITION

CASH AND CASH EQUIVALENTS

On September 30, 2011, the Corporation had cash and cash equivalents of $356.1 million, compared to $324.4 million at December 31, 2010. Cash and cash equivalents on September 30, 2011 include $47.1 million held by Betpak Dala, $13.1 million held by Karatau, $4.6 million held by Akbastau, $2.8 million held by Zarechnoye, $0.9 million held by Kyzylkum, $4.5 million held by SKZ-U and $5.3 million held by the Honeymoon Joint Venture. Cash held by the joint ventures is used to fund joint venture operations.

LOANS TO JOINT VENTURES

Kyzylkum has repaid the $19.0 million outstanding on the loan from the Corporation at December 31, 2010 as a result of the restructuring of its debt. In 2011 Uranium One made a capital contribution of $24.0 million to Kyzylkum's charter capital. The capital contribution was matched by the joint venture partners, with the contributions having no effect on the percentage ownership.

The Corporation transferred $7.1 million to SKZ-U in the first nine months of 2011 as part of its obligation to provide project financing for the construction and commissioning of the sulphuric acid plant in Kazakhstan.

BORROWED URANIUM CONCENTRATES AND URANIUM CONCENTRATES LOANS

In 2008, the Corporation borrowed 200,000 pounds pursuant to a uranium loan agreement to provide the Corporation with flexibility to meet its long term contractual obligations in terms of future uranium sales contracts and mitigate the risk of delivery delays. A liability of $10.5 million is accounted for in respect of the borrowed uranium concentrates of 200,000 pounds as at September 30, 2011. The loan agreement was amended in July 2011 and the 200,000 pounds of material is now to be returned in 2013. The loan is therefore classified as a non-current liability as at September 30, 2011.

INVENTORIES AND PURCHASED URANIUM CONCENTRATES

The value of inventories as at September 30, 2011 increased to $94.9 million from $90.0 million held at December 31, 2010. Finished uranium concentrates and solutions and concentrates in process increased by $0.1 million due to an increase in material on hand, partially offset by a decrease in the average production cost.

The Corporation revalued acquired inventory from the Akbastau and Zarechnoye acquisition during the 2010 financial year to its fair value determined on acquisition using market indicators at that time. The fair value adjustment as calculated on acquisition was recognized in the income statement on the sale of the inventory during Q1 2011.

Materials and supplies increased by $5.2 million in the period ended September 30, 2011, in line with the ramp up of the Honeymoon and Willow Creek projects.

As at September 30, 2011 the Corporation had attributable inventory of 3,141,900 pounds, including approximately 583,800 pounds was held at conversion facilities. Sales of product are normally completed at conversion facilities when material is transferred to customers by way of a book transfer. The product on hand at conversion facilities as at September 30, 2011 is committed for delivery under existing sales contracts subsequent to quarter end. Shipping times for finished product can be up to four months, depending on the distance between the mine site and conversion facility, where sales are completed through transfer of legal title and ownership.

A summary of the Corporation's attributable inventory carried at September 30, 2011 is as follows:

Category	Location	Lbs
In process	Mine site	162,400
In process	In transit to external processing facilities	-
In process	External processing facilities	563,800
Finished product ready to be shipped	Mine site	602,500
Finished product ready to be shipped	External processing facilities	771,700
Finished product In transit	In transit	457,700
Finished product at conversion facility	Conversion facilities	583,800
Total inventory		**3,141,900**

Production during commissioning of the Corporation's development projects is not accounted for as inventory. Attributable material produced and on hand from the Corporation's development projects at September 30, 2011 was 297,800 pounds.

MINERAL INTERESTS, PLANT AND EQUIPMENT

The values of mineral interests, plant and equipment increased by $6.7 million during the nine months ended September 30, 2011.

The significant movement consists of:

- Depreciation decreasing the net value by $89.6 million;
- Capital additions of $116.6 million;
- Pre-production revenue decreasing the value by $7.3 million;
- Disposals decreasing the value by $3.5 million; and
- Foreign exchange adjustments decreasing the value by $9.5 million.

CURRENT LIABILITIES

The outstanding amount on the Corporation's 2006 Debentures increased mainly due to the interest accrued and the strengthening of the Canadian dollar against the US dollar since December 31, 2010, partially offset by the coupon interest payments. The 2006 Debentures are denominated in Canadian dollars and mature on December 31, 2011.

CURRENT LIABILITIES RELATED TO THE ACQUISITION OF AKBASTAU AND ZARECHNOYE

Prior to acquisition on December 27, 2010, Zarechnoye entered into a discounted sales price contract for the sale of uranium. The discount on the sales price under this contract was higher than the current industry practice for uranium sales contracts in Kazakhstan. The Corporation accounted for this contract as an unfavourable contract and recognized a liability of $11.6 million pursuant to this contract on acquisition of Zarechnoye. The Corporation received $11.6 million in cash on acquisition to compensate for the unfavourable contract. On sale of uranium into the unfavourable contract, the liability is reduced, with a corresponding credit against revenue. $1.5 million was recognized in the income statement during the nine months ended September 30, 2011 and $0.3 million was recognized during 2010.

CURRENT AND LONG TERM PORTION OF JOINT VENTURE DEBT

Kyzylkum had loans outstanding of $42.7 million, $54.9 million and $45.4 million from the Japan Bank for International Cooperation ("JBIC"), Citibank and Kazatomprom, respectively. At September 30, 2011, the Corporation's share of Kyzylkum's loans is $42.9 million, of which $16.0 million is classified as short term.

In addition to the $25.1 million loan from the Corporation, SKZ-U has loans outstanding of $21.2 million, $21.2 million and $64.1 million from Sumitomo Mitsui Banking Corporation, Mizuho Corporate Bank and JBIC, respectively. At September 30, 2011, the Corporation's share of SKZ-U's loans is $20.2 million, which is classified as long term.

Akbastau had a loan outstanding $49.8 million from Effective Energy. At September 30, 2011, the Corporation's share of these loans is $24.9 million, which is classified as short term.

Zarechnoye had loans outstanding of $71.0 million and $3.3 million from Effective Energy and Citibank, respectively. At September 30, 2011, the Corporation's share of these loans is $36.9 million, of which $21.1 million is classified as short term.

NON-CURRENT LIABILITIES

The outstanding amount on the Corporation's 2010 Debentures increased mainly due to the interest accrued and the strengthening of the Canadian dollar against the US dollar since December 31, 2010, partially offset by the coupon interest payments. The 2010 Debentures are denominated in Canadian dollars and mature on March 13, 2015.

EQUITY

Changes in shareholders' equity consist mainly of the net earnings for the period of $89.5 million and a loss of $2.8 million recognized on translation of foreign operations.

LIQUIDITY AND CAPITAL RESOURCES

WORKING CAPITAL AND CASH GENERATED FROM OPERATIONS

At September 30, 2011 the Corporation had working capital of $250.1 million. Included in this amount is cash and cash equivalents of $356.1 million, which includes the Corporation's proportionate share of cash and cash equivalents at its joint venture operations in Kazakhstan and Australia. Cash held by the Corporation's joint venture operations is applied to the business of the joint ventures and cash flows between the Corporation and the joint ventures normally only occur through loans to the joint ventures and dividends paid by the joint ventures. The Corporation expects that Betpak Dala will fund its capital requirements from cash flow from its operations, without the need for finance from the Corporation or third parties. Karatau is expected to fund its capital requirements through short term loans and cash flow from its operations.

The interest earned on the Corporation's cash balances will be applied to existing commitments in respect of the Corporation's development projects and other current commitments.

The Corporation earns revenue from its mines in Kazakhstan. Additional sales revenue will be earned from uranium sales when the Corporation's development projects are commissioned.

The Corporation received dividends of $124 million from its Kazakh Joint Ventures during the nine months ended September 30, 2011.

Uranium is sold under forward long-term delivery contracts. Contracted deliveries are planned to be filled from the Corporation's mining operations. The ability to deliver contracted product is therefore dependent upon the continued operation of the mining operations as planned. The Corporation has entered into market-related sales contracts with price mechanisms that reference the market price in effect at or near the time of delivery. In addition, the Corporation has negotiated floor price protection in many of its sales contracts.

At September 30, 2011, there were outstanding sales commitments for 1.4 million pounds in respect of sales contracts for the Dominion project, which were not included in the sale of Uranium One Africa in 2010. The Corporation plans to meet these commitments from the production of other group entities and, if required, additional purchases from third parties. The Corporation has floor price protection in all of the Dominion contracts and does not expect to incur material losses in satisfying its delivery commitments thereunder.

CURRENT AND FUTURE SOURCES OF FUNDING

The Corporation has two convertible debentures outstanding as at September 30, 2011. In addition, the Corporation's joint ventures in Kazakhstan have amounts outstanding on several debt facilities.

Uranium One's 2006 Debentures have a face value of C$155 million and mature on December 31, 2011 with fixed interest at a rate of 4.25% payable semi-annually in arrears. The Corporation plans to repay principal and interest owing under the 2006 Debentures from internal cash resources. The 2010 Debentures have a face value of C$260 million and mature on March 13, 2015, with interest payable at a rate of 5.0% per annum, payable semi-annually in arrears being funded from internal resources.

Capital and operational expenditures by the Betpak Dala and Karatau joint ventures in 2011 are expected to be funded through the joint ventures' operating cash flow.

Karatau owed $37.5 million to financial institutions on December 31, 2010 and the Corporation's proportionate share of the amount owing was $18.8 million, which has been repaid during Q2 2011. The loans were repaid from Karatau's operating cash flow.

The Corporation and its joint venture partners in Kyzylkum made $80 million in capital contributions to the joint venture in 2011, with further capital contributions planned for 2012 and 2013. The Corporation's share of the capital contribution in 2011 was $24 million, with the other joint venture partners contributing proportionally to their ownership interests. The proceeds received by Kyzylkum were used to repay the outstanding loan from the Corporation, service its debt repayments and to fund capital and operational expenditure in 2011.

On September 30, 2011, Akbastau and Zarechnoye had outstanding facilities of $49.8 million and $74.3 million, respectively. The Corporation's share of these facilities was $24.9 million and $36.9 million, respectively. Pursuant to the terms of the acquisition agreement, ARMZ agreed to fund, or arrange funding for, the Corporation's proportionate share of the funding required by Akbastau and Zarechnoye for a period of 18 months after closing of the transaction.

The Corporation utilized the proceeds from the Mitsui transaction received in December 2008 for the development of Honeymoon and for general corporate purposes in Australia. The Corporation expects to contribute $27 million towards the funding of Honeymoon in 2011.

On September 30, 2011, SKZ-U has loans outstanding of $21.2 million, $21.2 million and $64.1 million from Sumitomo Mitsui Banking Corporation, Mizuho Corporate Bank and JBIC, respectively, in addition to the loan outstanding from Uranium One in the amount of $25.1 million to finance the construction of a sulphuric acid plant in Kazakhstan.

In addition to the factors described under “Risks and Uncertainties” below, Uranium One’s ability to raise capital is highly dependent on the commercial viability of its projects and the underlying price of uranium. Other risk factors, including the Corporation’s ability to develop its projects into commercially viable mines, international uranium industry competition, public acceptance of nuclear power and governmental regulation, can also adversely affect Uranium One’s ability to raise additional funding. There is no assurance that additional sources of funding, if required, will be forthcoming. Please refer to “Risks and Uncertainties”.

CONTRACTUAL OBLIGATIONS

There were no material changes in contractual obligations since December 31, 2010.

COMMITMENTS AND CONTINGENCIES

Due to the size, complexity and nature of the Corporation’s operations, various legal and tax matters arise in the ordinary course of business. The Corporation accrues for such items when a liability is both probable and the amount can be reasonably estimated. In the opinion of management, these matters will not have a material effect on the consolidated financial statements of the Corporation.

Betpak Dala is disputing a tax assessment of approximately $23 million in respect of the 2004 to 2008 taxation years, which primarily relates to excess profit tax. Excess profit tax is not applicable to the Corporation’s operations in Kazakhstan following the January 1, 2009 amendments to Kazakhstan’s tax code. Betpak Dala’s appeals against the tax assessment have so far been unsuccessful and Betpak Dala intends to apply to the Kazakh Supreme Court for leave to appeal the lower courts’ decisions. Betpak Dala paid $18 million of the disputed amount, to ensure that there is no interruption in its business. Following consultation with external legal counsel, the Corporation assessed there to be a high probability to successfully recover payments made in respect of the assessment. Accordingly, the Corporation has not recognised the income tax expense, but recorded the payment in trade and other receivables that the Corporation expects to recover against future tax assessments.

In accordance with a loan agreement between Uranium One and Mantra dated June 6, 2011, Uranium One has agreed to provide a credit facility to fund the development of the Mkuju River Project and other Mantra exploration activities. The credit facility is guaranteed by ARMZ.

Other than the loan agreement with Mantra and the contingent tax payment of Betpak Dala, there were no material changes to the Corporation’s commitments and contingencies since December 31, 2010.

OFF-BALANCE SHEET ARRANGEMENTS

The Corporation has no off-balance sheet arrangements.

OUTSTANDING SHARE DATA

As of November 7, 2011, there were issued and outstanding 957.2 million common shares.

A warrant was issued in connection with the acquisition of the Corporation’s interest in Kyzylkum entitling the holder to acquire 6,964,200 shares in Uranium One for no additional consideration upon completion of commissioning of the Kharasan Uranium Project. Uranium One has reserved a total of 57,200 common shares for issuance to third parties under certain property option and joint venture agreements.

Uranium One has the following convertible debentures outstanding:

- The 2006 Debentures, with 155,250 convertible debentures outstanding, each convertible to 63.45 common shares of Uranium One, representing 9,850,888 common shares. Fractional shares will be settled with cash; and
- The 2010 Debentures, with 259,985 convertible debentures outstanding, each convertible to 317.46 common shares of Uranium One, representing 82,534,838 common shares of Uranium One. Fractional shares will be settled with cash.

DIVIDENDS

Holders of common shares are entitled to receive dividends if, and when declared by the Board of Directors. There are no restrictions on Uranium One’s ability to pay dividends except as set out under its governing statute.

CRITICAL JUDGEMENTS AND ESTIMATES

The preparation of consolidated financial statements in conformity with IFRS requires the Corporation’s management to make estimates and assumptions about future events that affect the amounts reported in the consolidated financial statements and related notes to the consolidated financial statements. Actual results may differ from those estimates. Information about areas of judgment and key sources of uncertainty and estimation is contained in the accounting policies and/or the notes to the consolidated financial statements.

The following are the key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Recoverability of accounts receivable and investments

Provision is made against accounts that in the estimation of management may be impaired. The recoverability assessment of accounts receivable is based on a range of factors including the age of the receivable and the creditworthiness of the customer. The provision is assessed monthly with a detailed formal review of balances and security being conducted at year-end. Determining the recoverability of an account involves estimation as to the likely financial condition of the customer and their ability to subsequently make payment. To the extent that future events impact the financial condition of the customers, these provisions could vary significantly.

Investments in securities are reviewed for impairment at the end of each reporting period. When the fair value of the investment falls below the Corporation's carrying value, and it is considered to be significant or prolonged, an impairment charge is recorded to the consolidated income statement for the difference between the investment's carrying value and its estimated fair value at the time. In making the determination as to whether a decline is considered prolonged, the Corporation considers such factors as the duration and extent of the decline, the investee's financial performance, and the Corporation's ability and intention to retain its investment for a period that will be sufficient to allow for any anticipated recovery in the investment's market value. Differing assumptions could affect whether an investment is impaired in any period or the amount of the impairment.

Net realizable value of inventories

In determining the net realizable value of inventories, the Corporation estimates the selling prices, based on published market rates, cost of completion and cost to sell. To the extent that future events impact the saleability of inventory these provisions could vary significantly.

Estimated reserves, resources and exploration potential

Reserves are estimates of the amount of product that can be extracted from the Corporation’s properties, considering both economic and legal factors. Calculating reserves and estimates requires decisions on assumptions about geological, technical and economic factors, including quantities, grades, production techniques, recovery rates, production costs, transport costs, commodity demand, prices and exchange rates.

Estimating the quantity and/or grade of reserves require the analysis of drilling samples and other geological data.

Estimates of reserves may change from period to period as the economic assumptions used to estimate reserves change from period to period, and because additional geological data is generated during the course of operations. Changes in reported reserves may affect the Corporation’s financial position in a number of ways, including the following:

- Asset carrying values may be affected due to changes in estimated future cash flows;
- Depreciation and amortization charged in the consolidated income statement may change where such charges are determined by the units of production basis, or where the useful economic lives of assets change; and
- The carrying value of deferred tax assets may change due to changes in estimates of the likely recovery of the tax benefits.

Functional and presentation currency

The interim financial statements are presented in US dollars. The functional currency of Uranium One Inc. is the Canadian dollar. Judgment is required to determine the functional currency of each entity. These judgments are continuously evaluated and are based on management’s experience and knowledge of the relevant facts and circumstances.

Impairment of mineral interests, property, plant and equipment

Assets or cash generating units are evaluated at each reporting date to determine whether there are any indications of impairment. If any such indications exist, a formal estimate of recoverable amount is performed and an impairment loss recognized to the extent that carrying amount exceeds recoverable amount. The recoverable amount of an asset or cash generating group of assets is measured at the higher of fair value less costs to sell and value in use.

Fair value is determined as the amount that would be obtained from the sale of the asset in an arm’s length transaction between knowledgeable and willing parties, and is generally determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset, including any expansion prospects, and its eventual disposal. Present values are determined using a risk-adjusted pre-tax discount rate appropriate to the risks inherent to the asset. Future cash flow estimates are based on expected production and sales volumes, commodity prices (considering current and historical prices, price trends and related factors), reserves, operating costs, restoration and rehabilitation costs and future capital expenditure. The Corporation’s management is required to make these estimates and assumptions which are subject to risk and uncertainty; hence there is a possibility that changes in circumstances will alter these projections, which may impact the recoverable amount of the assets. In such circumstances, some or all of the carrying value of the asset may be impaired and the impairment would be charged against the consolidated income statement.

Expected economic lives of, estimated future operating results and net cash flows from mineral interests

The carrying amounts of mineral interests are depreciated to their estimated residual value over the estimated economic life of the specific assets to which they relate.

Depreciation commences on the date of commissioning and is based on reserves on a unit of production basis.

Residual values and useful lives are reviewed, and adjusted if appropriate, at least annually. Changes in estimated residual values or useful lives are accounted for prospectively. In applying the units of production method, depreciation is normally calculated using the quantity of material extracted from the mine in the period as a percentage of the total quantity of material to be extracted in current and future periods based on proven and probable reserves.

In assessing the life of a mine for accounting purposes, mineral resources are only taken into account where there is a high degree of confidence of economic extraction.

The Corporation's operating result and net cash flow forecasts are based on the best estimates of expected future revenues and costs, including the future cash costs of production, capital expenditure, close down and restoration. These may include net cash flows expected to be realized from extraction, processing and sale of mineral resources that do not currently qualify for inclusion in proven ore reserves. Such non reserve material is included where there is a high degree of confidence in its economic extraction. This expectation is usually based on preliminary drilling and sampling of areas of mineralization that are contiguous with existing reserves.

The mine plan takes account of all relevant characteristics of the ore body, ore grades, chemical and metallurgical properties of the ore impacting on process recoveries and capacities of processing equipment that can be used. The mine plan is therefore the basis for forecasting production output in each future year and for forecasting production costs.

The Corporation's cash flow forecasts are based on estimates of future commodity prices. These long term commodity prices, for most commodities, are derived from an analysis of the marginal costs of the producers of these commodities. These assessments often differ from current price levels and are updated periodically.

In some cases, prices applying to some part of the future sales volumes of a cash generating unit are predetermined by existing sales contracts. The effects of such contracts are taken into account in forecasting future cash flows.

There are numerous uncertainties inherent in estimating ore reserves, and assumptions that are valid at the time of estimation may change significantly when new information becomes available. Changes in the forecast prices of commodity, exchange rates, production costs or recovery rates may change the economic status of reserves and may, ultimately, result in the reserves being restated.

Fair value of financial instruments

The Corporation's financial instruments primarily consist of cash, short-term money market investments, marketable securities, trade and other receivables, asset retirement funds, trade and other payables and accrued liabilities, loans to joint ventures, draw downs against credit facilities, other loans, uranium loans, and convertible debentures. The fair value of these financial instruments, except for the convertible debentures, approximates their carrying values, due primarily to their immediate or short-term maturity.

Fair values of other financial instruments have been estimated by reference to quoted market prices for actual or similar instruments where available and disclosed accordingly.

The valuation models maximize the use of observable market inputs. However certain assumptions and estimates require management judgment including excess spread, prepayment rates, expected credit losses and discount rates. Valuation methodologies and assumptions are reviewed on an ongoing basis. A significant change in this assessment may result in unrealized losses being recognized in net income.

Fair value of stock-based compensation

The Corporation grants share-based awards, including restricted share rights and stock options, to certain directors and employees. For equity-settled awards, the fair value is charged to the consolidated income statement and credited to a related reserve account on a straight-line basis over the vesting period, after adjusting for the estimated number of awards that are expected to vest.

The fair value of the equity-settled awards is determined at the date of the grant. In calculating fair value, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of the Corporation. The fair value is determined by using the Black-Scholes option pricing model.

Option pricing models require the input of highly subjective assumptions, including the expected price volatility. Changes in these assumptions can materially affect the fair value estimate and, therefore, the existing models do not necessarily provide a reliable measure of the fair value of the Corporation's stock options.

Fair value of assets and liabilities acquired in business combinations

Business combinations are accounted for by applying the acquisition method of accounting, whereby the purchase consideration of the combination is allocated to the identifiable net assets on the basis of fair value on acquisition. The amount of goodwill initially recognized is dependent on the allocation of the purchase price to the fair value of the identifiable assets acquired and the liabilities assumed. The determination of the fair value of the assets and liabilities is based, to a considerable extent, on management's judgment.

Allocation of the purchase price affects the results of the Corporation as finite lived intangible assets are amortized, whereas indefinite lived intangible assets, including goodwill, are not amortized and could result in differing amortization charges based on the allocation to indefinite lived and finite lived intangible assets.

Reclamation and closure cost obligations

Reclamation and closure cost obligation provisions represent management's best estimate of the present value of the future costs. Significant estimates and assumptions are made in determining the amount of reclamation and closure cost obligations provisions. Those estimates and assumptions deal with uncertainties such as: requirements of the relevant legal and regulatory framework; the magnitude of possible contamination; and the timing, extent and costs of required restoration and rehabilitation activity. These uncertainties may result in future actual expenditure differing from the amounts currently provided.

Taxation

The provision for income taxes and composition of income tax assets and liabilities requires management's judgment as to the types of arrangements considered to be a tax on income in contrast to an operating cost. Judgment is also required in assessing whether deferred tax assets and certain deferred tax liabilities are recognized in the balance sheet.

Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. These depend on estimates of future production and sales volumes, commodity prices, reserves, operating costs, and other capital management transactions. The application of income tax legislation also requires judgments. These judgments and assumptions are subject to risk and uncertainty, therefore there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognized on the balance sheet and the amount of other tax losses and temporary differences not yet recognized.

INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS")

Conversion plan

The Canadian Accounting Standards Board has mandated the adoption of IFRS for interim and annual financial statements for fiscal years beginning on or after January 1, 2011. The three months ended March 31, 2011 is the Corporation's first reporting period under IFRS.

The Corporation implemented a multi-year transition plan comprising three major phases; a scoping, planning and assessment phase, a design and build phase and an implement and review phase culminating in the reporting of financial information in accordance with IFRS for Q1 2011.

The International Accounting Standards Board continues to amend and add to current IFRS standards. The Corporation's conversion process includes monitoring actual and anticipated changes to IFRS standards and related rules and regulations and assessing the impacts of these changes on the Corporation and its reporting, including expected dates of when such impacts would be effective.

The Corporation has implemented the necessary changes to its systems and reporting processes including the implementation of new accounting and consolidation systems in various parts of its business in 2009, to support preparation of the IFRS opening balance sheet as at January 1, 2010 and the preparation of its financial statements under IFRS.

The impact of the transition to IFRS on internal controls over financial reporting and disclosure controls and procedures have been determined and the adjusted controls were implemented concurrently with the processing of the quantified differences on the opening balance sheet and during the preparation of the financial statements under IFRS.

The transition to IFRS did not have a significant impact the Corporation's key performance indicators and compensation arrangements.

Impact of adoption of IFRS

The implementation of IFRS, and the policy choices made with the implementation, resulted in adjustments in equity, comprehensive income and presentation changes in the financial statements, which include reclassification changes.

The transition also resulted in numerous financial statement presentation changes, which resulted in more disclosure on certain notes.

The Corporation's cash balances and cash flow statement have not been impacted, except for reclassification adjustments as illustrated in the interim financial statements.

The table below summarizes the adjustments to equity on the opening balance sheet and comparative periods, as disclosed in the interim financial statements:

	Jan 1, 2010 US$m	Sep 30, 2010 US$m	Dec 31, 2010 US$m
Under Canadian GAAP	**1,480.9**	**1,626.8**	**2,336.4**
IAS 36 - Impairment of assets	(269.8)	(275.1)	(210.8)
IAS 21 – Effects of Changes in Foreign Exchange rates	(135.8)	(122.9)	(122.1)
IAS 39 - Financial instruments	-	(61.0)	(2.3)
IFRS 1 – Business combinations	(54.9)	(58.3)	(71.0)
Under IFRS	**1,020.4**	**1,109.5**	**1,930.2**

The table below summarizes the adjustments to comprehensive income, as disclosed in the interim financial statements:

	Three months ended Sep 31, 2010 US$m	Nine months ended Sep 31, 2010 US$m	Year ended Dec 31, 2010 US$m
Comprehensive income under Canadian GAAP	**4.5**	**(33.0)**	**(176.1)**
Income statement adjustments:			
Exchange differences on translation	(1.9)	19.9	12.7
Impairment of mineral interest, property, plant and equipment	-	-	65.7
Fair value adjustment of financial liabilities	(3.0)	2.0	(8.9)
Fair value adjustment of embedded derivative	(27.8)	(17.0)	(26.5)
Unwinding of contingent liabilities	(1.9)	(5.3)	(7.0)
Other	0.1	1.1	-
	(34.5)	0.7	36.0
Other comprehensive income adjustments:			
Exchange differences on translation	(6.4)	(13.6)	(6.8)
Total IFRS conversion comprehensive income adjustments	**(40.9)**	**(12.9)**	**29.2**
Comprehensive income under IFRS	**(36.4)**	**(45.9)**	**(146.9)**

Post implementation

The post-implementation phase involve continuous monitoring of changes implemented by the International Accounting Standard Board ("IASB") to IFRS. There are significant ongoing projects which could impact the Corporation, including the proposed changes to the standards that govern the recognition and accounting for interest in joint ventures and the extractive industries project. The impact of any new standards or interpretations will be evaluated as they are drafted and published.

RISKS AND UNCERTAINTIES

The Corporation's operations and results are subject to various risks and uncertainties. These include, but are not limited to, the following: exploration and mining involves operational risks and hazards; mineral resources and mineral reserves are estimates only; there is no certainty that further exploration will result in new economically viable mining operations or yield new reserves to replace and expand current reserves; Uranium One cannot give any assurance that any of its development projects will become operating mines; or that any of its operations on care and maintenance will become operational; mineral rights and tenures may not be granted or renewed on satisfactory terms and may be revoked, altered or challenged by third parties; limited supply of desirable mineral lands for acquisition; risks and problems associated with completing and integrating acquisitions; competition in marketing uranium; competition from other sources of energy and public acceptance of nuclear energy; volatility and sensitivity to uranium prices; the capital requirements to complete the Corporation's current projects and expand its operations are substantial; the integration of acquisitions; currency fluctuations; potential conflicts of interest; the Corporation's operations and activities are subject to environmental risks; government regulation may adversely affect the Corporation; the risks of obtaining and maintaining necessary licences and permits; risks associated with foreign operations including, in relation to Kazakhstan, the risk of future sulphuric acid constraints and the Corporation is dependent on key personnel.

Uranium One's risk factors are discussed in detail in its Annual Information Form for the year ended December 31, 2010, which is available on SEDAR at www.sedar.com, and should be reviewed in conSepction with this document.

STOCK OPTION AND RESTRICTED SHARE PLANS

Under the Corporation’s stock option plan, options granted are non-assignable and may be granted for a term not exceeding ten years. The aggregate maximum number of common shares available for issuance under the stock option plan may not exceed 7.2% of the common shares outstanding from time to time on a non-diluted basis and the aggregate maximum number of common shares available for issuance to non-employee directors under the plan may not exceed 1.0% of the total number of common shares outstanding on a non-diluted basis.

Under the Corporation’s restricted share plan, restricted share rights exercisable for common shares of Uranium One at the end of a restricted period, for no additional consideration, are granted by the Board of Directors in its discretion to eligible directors, officers and employees. The aggregate maximum number of common shares available for issuance under the restricted share plan is capped at three million. The number of shares available for issuance to non-employee directors may not exceed 0.5% of the total number of common shares outstanding on a non-diluted basis.

There were no restricted share rights outstanding on December 31, 2010 or September 30, 2011.

During the nine months ended September 30, 2011, stock options activity was as follows:

- 2,970,800 options were granted during the period.
- 5,000 options were exercised.
- 2,611,615 options were forfeited or expired.

DISCLOSURE CONTROLS AND PROCEDURES

The Corporation’s management, with the participation of its Chief Executive Officer and Chief Financial Officer, are responsible for establishing and maintaining adequate disclosure controls. Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported on a timely basis to senior management, including Uranium One’s Chief Executive Officer and Chief Financial Officer, so that appropriate decisions can be made regarding public disclosure, and information required to be disclosed is recorded, processed, summarized and reported within the time periods specified in securities legislation.

INTERNAL CONTROLS AND PROCEDURES

The Corporation’s management, with the participation of its Chief Executive Officer and Chief Financial Officer, are responsible for establishing and maintaining adequate internal control over financial reporting. Under the supervision of the Chief Financial Officer, the Corporation’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP.

There have been no material changes in the Corporation’s internal control over financial reporting during the quarter ended September 30, 2011 that have materially affected, or are reasonably likely to materially affect, the Corporation’s internal control over financial reporting.

OUTLOOK

During the remainder of 2011 and in 2012, the Corporation is focused on ensuring that production from Akdala and Karatau remain at full production capacity, continuing the ramp-up in production at South Inkai, Akbastau and Zarechnoye, successfully commissioning its development projects, completing the revised definitive feasibility study for the Mkuju River Project, controlling costs at its operations and remaining a reliable supplier of U_3O_8 to the nuclear fuel industry. The Corporation's total attributable production guidance for 2011 remains unchanged at 10.5 million pounds.

The Corporation's attributable production estimate for 2012 is 11.6 million pounds and is made up as follows:

Operation	Status	Total estimated 2012 production (millions of lbs)	Ownership %	Estimated attributable 2012 production (millions of lbs)
Akdala	Producing	2.6	70%	1.8
South Inkai	Producing	4.9	70%	3.4
Karatau	Producing	5.2	50%	2.6
Akbastau	Producing	3.0	50%	1.5
Zarechnoye	Producing	2.2	49.67%	1.1
Powder River Basin	Commissioning / Producing	0.5	100%	0.5
Honeymoon	Commissioning / Producing	0.6	51%	0.3
Kharasan	Commissioning	1.3	30%	0.4
Totals:		**20.3**	**70%**	**11.6**

Attributable production for 2013 is estimated to be 12.5 million pounds.

During 2012, the average cash cost per pound sold, including Kazakh mineral extraction tax, is expected to be $19 per pound and is made up as follows:

Mine	2012 - Estimated average cash cost ($/lb)
Akdala	16
South Inkai	20
Karatau	13
Akbastau	18
Zarechnoye	22
Powder River Basin	30
Honeymoon	47

The Corporation's strategy is to remain fully exposed to the uranium price. Material is sold at market related prices at the time of delivery, except for contracts for 5 million pounds which will be sold at an average fixed price of $67 per pound (subject to escalation).

For 2012, the Corporation expects to sell approximately 11.0 million attributable pounds, excluding sales during commissioning.

For 2013, the Corporation expects to sell approximately 12.5 million attributable pounds, excluding sales during commissioning.

The Corporation's estimated capital expenditure and funding per project for 2012 are expected to be as follows:

	2012 - Estimated capital expenditure in $'millions				
	Wellfield development	Plant and equipment and other	Total	Ownership %	Total
Mine / project	100%				Attributable
Kazakhstan					
Akdala	10	17	27	70%	19
South Inkai	30	21	51	70%	36
Karatau	26	26	52	50%	26
Akbastau	38	76	114	50%	57
Zarechnoye	28	14	42	49.67%	21
Kharasan (1)	13	54	67	30%	20
SKZ-U	-	11	11	19%	2
Subtotal – Kazakhstan	**145**	**219**	**364**		**181**
Australia and United States					
Honeymoon	8	17	25	51%	13
Powder River Basin	32	1	33	100%	33
Great Divide Basin	-	1	1	100%	1
Other	-	1	1		1
Subtotal – Australia and United States	**40**	**20**	**60**		**48**
Totals:	**185**	**239**	**424**		**229**

(1) – Excludes sales during commissioning which will be offset against the estimated capital expenditure

Capital expenditure in 2012, on an attributable basis, comprises the following expenditures (as noted below certain of these have been deferred from 2011):

- Akdala: wellfield development and resource definition drilling, as well as $7 million for construction of a satellite processing plant and $4 million for the refurbishment and relocation of the camp facilities, that have been deferred from the planned capital expenditure for 2011;
- South Inkai: wellfield development, resource definition drilling and sustaining capital, as well as the remaining $4 million for the expansion of the drying facility to process Akdala material and $4 million for upgrading the plant and camp, that have been deferred from the planned capital expenditure for 2011;
- Karatau: wellfield development, resource definition drilling, completion of the plant expansion to accommodate the processing of Akbastau material and expansion of the camp;
- Akbastau: wellfield development, resource definition drilling, completion of ponds, piping and infrastructure development, construction of the satellite plants and a new camp, which includes $17 million for the construction of the plant and new camp and $8 million for piping and infrastructure development, that have been deferred from the planned capital expenditure for 2011; and
- Zarechnoye: wellfield development, resource definition drilling, and sustaining capital.

Other estimated expenditures by the Corporation in 2012 are expected to be as follows:

Item	**2012 – Estimated in $'millions**
General and administrative (excluding stock based compensation)	39
Exploration	11

FORWARD-LOOKING STATEMENTS AND OTHER INFORMATION

This Management's Discussion and Analysis of Financial Condition and Results of Operations 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 and divestitures, 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 the Corporation 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 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, 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, 2010 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. Except as required under applicable securities laws, Uranium One undertakes no obligation to update publicly or revise any forward looking statements, whether as a result of new information, future events, or otherwise.

Readers are advised to refer to independent technical reports for detailed information on the Corporation's material properties. Those technical reports, which are available at www.sedar.com under Uranium One's profile, and also under the profiles of UrAsia Energy, provide the date of each resource or reserve estimate, details of the key assumptions, methods and parameters used in the estimates, details of quality 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.

This document and the Corporation's other publicly filed documents use the terms "measured", "indicated" and "inferred" resources as defined in accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects. United States investors are advised that while these terms are recognized and required by Canadian regulations, the SEC does not recognize them. Investors are cautioned not to assume that all or any part of the mineral deposits in these categories will ever be converted into reserves. In addition, "inferred resources" have a great amount of uncertainty as to their existence and economic and legal feasibility and it cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Investors are cautioned not to assume that all or any part of an inferred resource exists or is economically or legally mineable. Mineral resources are not mineral reserves and do not have demonstrated economic viability.

Scientific and technical information contained herein has been reviewed on behalf of the Corporation by Mr. M.H.G. Heyns, Pr.Sci.Nat. (SACNASP), MSAIMM, MGSSA, Senior Vice President Technical Services of the Corporation, a qualified person for the purposes of NI 43-101.

The information contained herein regarding the estimation of Mineral Resources at the Mkuju River project was prepared by Mr. Malcolm Titley of CSA Global Pty. Ltd. Mr. Titley is a Member of the Australian Institute of Geoscientists and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code) and is a qualified person under National Instrument 43-101 .