

News Release

June 8, 2010

Uranium One to Acquire Two More Kazakh Mines from ARMZ and To Pay Special Dividend to Minority Shareholders of at least US\$ 1.06 per Share

Vancouver, British Columbia and Johannesburg, South Africa – Uranium One Inc. (“Uranium One” or the “Company”) today announced the signing of a definitive purchase and subscription agreement (“PSA”) with JSC Atomredmetzoloto (“ARMZ”) under which Uranium One will acquire ARMZ’s 50% interest in the Akbastau Uranium Mine (“Akbastau”) and its 49.67% interest in the Zarechnoye Uranium Mine (“Zarechnoye”), both located in southern Kazakhstan.

The acquisition will increase Uranium One’s steady state production from its Kazakhstan assets by approximately 60%, from approximately 10 million pounds to approximately 16 million pounds. Total cash costs per pound sold are expected to remain less than US\$ 20 per pound on a consolidated basis. Uranium One expects to realize management and operating synergies upon integration of these assets, especially at Akbastau, which is contiguous to the Company’s Karatau Uranium Mine.

Pursuant to the transaction, ARMZ will contribute its interests in the Akbastau and Zarechnoye joint ventures and US\$ 610 million in cash, in return for 356 million new common shares of Uranium One. Following closing, Uranium One will pay a special cash dividend of at least US\$ 1.06 per share to shareholders other than ARMZ. The foregoing assumes that Japan Uranium Management Inc. (“JUMI”) exercises its right of repurchase under the terms of its convertible debenture, which will be triggered by the transaction. Should JUMI elect to retain its debentures, the PSA provides for consequential increases in the cash to be contributed by ARMZ to Uranium One, shares issued by Uranium One to ARMZ and dividends paid to minority shareholders.

ARMZ currently holds 23.1% of Uranium One’s outstanding common shares. On completion of the transaction, ARMZ will own not less than 51% of the Company’s outstanding common shares. ARMZ has agreed to a standstill of 18 months from closing during which it may not, without prior consent, dispose of or acquire any additional Uranium One shares, except pursuant to agreed anti-dilution rights, which will permit ARMZ to maintain not less than a 51% interest in the Company and to certain other exceptions.

The transaction terms also include “coat-tail” protections under which ARMZ has agreed not to sell any of its Uranium One common shares to a purchaser who would, after such sale, hold 33.3% or more of Uranium One’s common shares unless that sale was made pursuant to an identical offer made to all Uranium One shareholders.

In addition, the Board of Uranium One will be reduced from thirteen to nine directors but continue to have a majority of independent directors. ARMZ will be entitled to appoint three nominees to the Board of Uranium One. Ian Telfer will continue as Chairman and Jean Nortier will continue as Chief Executive Officer.

Jean Nortier, Chief Executive Officer of Uranium One said:

“The acquisition of 50% stakes in two additional, high quality and long life ISR mines strengthens Uranium One’s asset portfolio and positions the Company to be among the world’s top 5 uranium producers by 2011, as our Kazakh assets ramp up to full capacity. I am very pleased that we can also deliver to our shareholders a significant premium to the current value of their shares in the form of a special cash dividend and ongoing participation in the enlarged and enhanced company.”

Vadim Zhivov, Director General of ARMZ commented:

“I am delighted to announce our agreement to become the majority shareholder of Uranium One. With the strong support of ARMZ, and under the continued leadership of an independent Board and professional management team, I am confident that Uranium One will develop into a leading global uranium producer, to the benefit of all the Company’s shareholders and stakeholders.”

In connection with the transaction, Uranium One and ARMZ have also agreed to amend the offtake agreement between the parties, to provide ARMZ with increased offtake rights commensurate with its increased equity ownership interest in Uranium One. Uranium One’s existing uranium supply contracts will not be affected by the transaction. The transaction also does not affect Uranium One’s existing right of first offer on ARMZ’s assets outside the Russian Federation in the event ARMZ determines to offer any of these for sale in the future.

Uranium One will be holding consultations with the members of the JUMI consortium shortly, with a view to determining whether they wish to exercise their debenture repurchase right on completion of the transaction.

Transaction Process

The transaction constitutes a related party transaction under applicable Canadian securities legislation. Uranium One has accordingly formed an Independent Committee of the Board to review the transaction, supervise the preparation of a formal valuation and to provide the Board with its recommendations thereon. The Independent Committee has engaged CIBC World Markets Inc. as its independent financial adviser and has also retained Cassels Brock & Blackwell as legal counsel.

The transaction is subject to the Independent Committee and the Board of Directors of Uranium One having resolved to recommend the transaction to shareholders, to the approval of the Board of Directors of ARMZ, and to the satisfactory completion of legal due diligence reviews by both parties, in each case by no later than July 15, 2010. The transaction is also subject to Uranium One shareholder approval, including majority of minority approval, to be sought at a shareholders meeting expected to be held in August 2010, as well as to required Kazakh and other regulatory approvals, and other usual and customary closing conditions. The transaction is expected to be completed before the end of 2010.

Uranium One has agreed to customary non-solicitation provisions with ARMZ, which permit Uranium One to accept a superior transaction, subject to ARMZ having a five business day right to match and to the payment of a break fee of \$40 million in certain circumstances.

Overview of Akbastau

Akbastau is owned 50% by ARMZ and 50% by Kazatomprom and operates sites 1, 3 and 4 of the Budenovskoye Deposit in southern Kazakhstan. Karatau, in which Uranium One owns a 50% interest, operates site 2 of the Budenovskoye Deposit.

Production from Akbastau commenced in 2009 and totalled 1.0 million pounds U_3O_8 . Pregnant solutions from the well fields at site 1 at Akbastau are currently being treated at the Karatau processing facilities.

Under the terms of its subsoil use agreements, Akbastau has the exclusive right to carry on exploration, extraction, mining and sales of uranium from sites 3 and 4 of the Budenovskoye Deposit until 2037 and from site 1 until 2036.

Steady state production from Akbastau is expected to be 7.8 million pounds U_3O_8 per year.

According to an independent technical report dated March 2, 2010 prepared Wayne W. Valliant, P.Geol. and John I. Kyle, P.E. of Scott Wilson Roscoe Postle Associates Inc. for a wholly owned subsidiary of ARMZ, as at July 1, 2009 Akbastau had Indicated Resources totalling 12.0 million tonnes at a grade of 0.096% uranium containing 11,453 tonnes of uranium (29.8 million pounds U_3O_8), and Inferred Resources totalling 26.5 million tonnes at a grade of 0.093% uranium containing 24,547 tonnes of uranium (63.6 million pounds U_3O_8). The resource estimates were prepared in accordance with the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by the Canadian Institute of Mining, Metallurgy and Petroleum and National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

The resource estimate is based on parameters (e.g. cut-off grade, grade-thickness, internal waste, mineralization to waste ratio, block size, permeability and density) used for the South Inkai deposit and originally approved by the Ministry of Geology and the Ministry of Atomic Energy and Industry of the USSR. The modelling methodology applied considered similar structural and tectonic characteristics, lithological and facies types and hydrogeological and geotechnical features. The 2009 resource estimate is based on information from approximately 260,800 metres of drilling. The Indicated Resources have been drilled on fences 200 metres apart, with holes spaced at 50 metres. The Inferred Resources have been drilled on fences 400 metres apart, with holes spaced at 50 to 200 metres apart. Gamma ray logging is used in conjunction with the geological interpretations to determine the uranium content.

Overview of Zarechnoye

ARMZ has a 49.67% interest in Zarechnoye. Kazatomprom owns a 49.67% interest in the joint venture, and an affiliate of the Kyrgyz government owns the remaining 0.66%. Zarechnoye owns both the Zarechnoye and South Zarechnoye deposits, located in southern Kazakhstan.

The Zarechnoye deposit was discovered in 1977 and commenced operations in 2007. The South Zarechnoye deposit was discovered in 1989 and is expected to become operational in 2014.

Production from Zarechnoye during 2008 was approximately 0.4 million pounds U_3O_8 and production in 2009 was approximately 1.3 million pounds U_3O_8 . Zarechnoye is expected to ramp up to full production of approximately 2.5 million pounds U_3O_8 per year by 2012. Full production from South Zarechnoye is expected to be approximately 1.6 million pounds U_3O_8 .

Under its subsoil use agreement, the Zarechnoye joint venture has the exclusive right to carry on exploration, extraction, mining and sales of uranium until 2027. The South Zarechnoye joint venture has the exclusive right to carry on exploration, extraction, mining and sales of uranium from South Zarechnoye until 2037.

Uranium One has engaged Scott Wilson Roscoe Postle Associates Inc. to provide an independent technical report for Zarechnoye, which the Company expects will be completed in July 2010.

Other

Uranium One also announced today that it has recently sold substantially all of its previously acquired shares of Paladin Energy Ltd. The sale proceeds will supplement the capital resources available to the Company for the cash outflows contemplated by the proposed transaction.

Advisors

BMO Capital Markets is acting as the financial advisor to Uranium One with respect to the ARMZ transaction. Uranium One's legal advisors are Fasken Martineau DuMoulin LLP and Macleod Dixon LLP. Goldman Sachs International is acting as the financial advisor to ARMZ and Stikeman Elliott LLP and Aequitas Law Firm are acting as legal advisors to ARMZ with respect to this transaction.

Conference Call

Uranium One will be hosting a conference call and webcast for investors and analysts today, June 8, 2010 at 10:00 AM (Eastern Time) to discuss the transaction. Participants may join the call by dialling toll-free 1-888-231-8191 or 1-647-427-7450 for local calls or calls from outside Canada and the United States. A live webcast of the call will be available through CNW Group's website at: www.newswire.ca/en/webcast.

A recording of the conference call will be available for replay for a two week period beginning at approximately 12:00 PM (Eastern Time) on June 8, 2010 by dialling toll-free 1-800-642-1687 or 1-416-849-0833 for local calls or calls from outside Canada and the United States. The pass code for the replay is 80491454. A replay of the webcast will be available through a link on our website at www.uranium1.com.

About ARMZ

ARMZ is the world's fifth largest uranium producer with operating mines in Russia and Kazakhstan. During 2009, operations in which ARMZ is involved produced 12.1 million pounds of U₃O₈. It is wholly-owned by State Atomic Energy Corporation "Rosatom", the Russian State Corporation for Nuclear Energy which consolidates all nuclear assets of the Russian Federation.

About Uranium One

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

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Cautionary Statement

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

Investors are advised to refer to independent technical reports containing detailed information with respect to the material properties of Uranium One. These technical reports are available under the profiles of Uranium One Inc., UrAsia Energy Ltd., and Energy Metals Corporation at www.sedar.com. Those technical reports provide the date of each resource or reserve estimate, details of the key assumptions, methods and parameters used in the estimates, details of 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 uses 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 resource will be 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 Uranium One by Mr. M.H.G. Heyns, Pr.Sci.Nat. (SACNASP), MSAIMM, MGSSA, Senior Vice President of Uranium One Inc., a Qualified Person for the purposes of NI 43-101.

Scientific and technical information contained herein has been reviewed on behalf of Effective Energy N.V. (a wholly owned subsidiary of ARMZ) by Wayne W. Valliant, P.Geo. and John I. Kyle, P.E. of Scott Wilson RPA Inc. – both Qualified Persons for the purpose of NI 43-101.

Forward-looking statements: This press release contains certain forward-looking statements. Forward-looking statements include but are not limited to those with respect to the price of uranium, the estimation of mineral resources and reserves, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage and the timing and possible outcome of pending litigation. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes" or variations of such words and phrases, or

state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Uranium One to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others, the completion of the transaction described in this press release, 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, 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, 2009, which is available on SEDAR at www.sedar.com, and which should be reviewed in conjunction with this document. Although Uranium One has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Uranium One expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

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