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Trading Symbol: SXR – Toronto Stock Exchange, JSE Limited (Johannesburg Stock Exchange)

NEWS RELEASE

February 23, 2007

Uranium One Signs Definitive Agreement to Acquire U.S. Energy Corp.'s Shootaring Canyon Uranium Mill and U.S. Uranium Properties

Toronto, Ontario and Johannesburg, South Africa -- sxr Uranium One Inc. ("Uranium One") is pleased to announce that it has entered into a definitive agreement with U.S. Energy Corp. and its affiliate, Crested Corp., for the purchase of the Shootaring Canyon Uranium Mill in Utah, as well as a land package comprising approximately 38,763 acres of uranium exploration properties in Utah, Wyoming, Arizona and Colorado and a substantial database of geological information with respect to an additional 1,582,036 acres in a five-mile zone surrounding the purchased properties.

Neal Froneman, Chief Executive Officer of Uranium One, said: "The execution of this agreement marks a major step forward in our U.S. growth strategy. The acquisition of the Shootaring Canyon Mill and related uranium property interests will serve as the foundation for our growth in the United States. We look forward to closing this transaction and to expanding our U.S. business in line with our growth strategy."

Terms of the Acquisition

The asset purchase agreement follows a period of detailed due diligence conducted by Uranium One under an exclusivity agreement entered into between the parties on July 10, 2006.

Under the asset purchase agreement, Uranium One has agreed to purchase through certain of its subsidiaries the Shootaring Canyon Mill and related property interests for consideration equal to 6,607,605 Uranium One common shares plus the sum of US \$750,000 in cash paid by Uranium One on execution of the exclusivity agreement. In addition, in accordance with the provisions of the exclusivity agreement, Uranium One has agreed to pay U.S. Energy US \$20,000,000 upon the Shootaring Canyon Mill reaching commercial production and US \$7,500,000 on the first delivery to the Mill after commercial production of mineralized material from any of the purchased properties; U.S. Energy will also receive a royalty equal to 5% of the gross proceeds from the sale of commodities produced at the Mill, to a maximum amount of US \$12,500,000.

The purchase agreement also provides for the assignment of U.S. Energy's right to receive US \$4,100,000 in cash and 1,500,000 common shares of Uranium Power Corp. ("UPC") after closing under a purchase and related joint venture agreement between U.S. Energy and UPC relating to certain of the purchased properties for a cash payment equal to a 5.25% annual discount rate applied to US \$4,100,000 plus the value of such shares (determined with reference to the weighted average closing price thereof on the TSX Venture Exchange prior to closing). In addition, in accordance with the provisions of the exclusivity

agreement, Uranium One will on closing reimburse U.S. Energy for certain exploration expenditures relating to the purchased properties and incurred with Uranium One's approval since July 2006.

The purchase agreement also provides that Uranium One and U.S. Energy will enter into an agreement on closing under which Uranium One will be given the first opportunity to earn into or fund uranium property interests which may in the future be owned or acquired by U.S. Energy outside the five mile area surrounding the purchased properties for a period of two years after closing. Under this agreement, Uranium One will also have access without charge for a period of three years to the database of geological information assembled by U.S. Energy on properties in the western United States beyond the purchased properties and the area of interest surrounding them.

Closing of the purchase agreement is subject, among other things, to the receipt of all required governmental and regulatory approvals, including the approval by the Utah Division of Radiation Control of the transfer of the Mill's radioactive materials licence and final acceptance by the Toronto Stock Exchange for the listing of the Uranium One common shares to be issued on closing.

The Shootaring Canyon Mill

The Shootaring Canyon Mill, located approximately 48 miles south of Hanksville, Utah, was the last conventional uranium mill to be built in the United States and is strategically situated amongst several known uranium deposits. The Mill was commissioned and operated for a period of four months in 1982, meeting all applicable performance guarantees. Approximately 30 tons of U3O8 were produced and shipped before the Mill was mothballed due to declining uranium prices. The Mill has been maintained in excellent condition since being placed on standby.

The Mill is an acid leach facility with a 750 tons per day throughput capacity that could be upgraded to an estimated throughput rate of 1,000 tons per day. There is also the potential to add a vanadium processing circuit to the existing Mill infrastructure. The Mill currently has a reclamation licence, which U.S. Energy is working to convert to an operating licence subject to applicable regulatory approval.

The U.S. Energy Uranium Properties

The U.S. Energy uranium properties consist of eight separate claim groupings in Utah, Wyoming, Arizona and Colorado. Four of these claim groupings (White Canyon, Henry Mountain, Lisbon Valley and Sage Plains) are wholly-owned by U.S. Energy; the other four (Sheep Mountain, Green River North, Burro Canyon and the Breccia Pipes) are held by U.S. Energy in the joint venture with UPC.

The most advanced of the U.S. Energy properties is the Sheep Mountain property in Wyoming. On August 29, 2006, UPC announced the completion by Scott Wilson Roscoe Postle Associates, Inc. of an NI 43-101-compliant mineral resource estimate (the "Resource Estimate") for the Sheep Mountain property, comprising inferred mineral resources of 4.56 MT grading 0.17% eU3O8 (15.6 million pounds of contained metal) contained in the Sheep 1 and 2 deposits.

The acquired assets also include an extensive database containing historical data from past producing uranium mines, as well as exploration data from uranium projects ranging from grassroots to advanced exploration status.

About sxr Uranium One

sxr Uranium One Inc. is a Canadian uranium and gold resource company with a primary listing on the Toronto Stock Exchange and a secondary listing on the JSE Limited (the Johannesburg stock exchange). Uranium One owns the Dominion Uranium Project in South Africa and the Honeymoon Uranium Project in South Australia, and is actively pursuing growth opportunities in the uranium sector in the United States and Kazakhstan. Uranium One holds an approximate 71.4% interest in Aflase Gold Limited, which owns the Modder East Gold Project in South Africa. Through a 50/50 joint venture with Pitchstone Exploration Ltd., Uranium One is also engaged in uranium exploration activities in the Athabasca Basin of Saskatchewan.

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Other Matters and Cautionary Statement

Readers are advised to refer to the Resource Estimate, which is set out in the technical report entitled "Technical Report on the Sheep Mountain Uranium Project, Wyoming" prepared by Scott Wilson RPA for UPC and dated October 10, 2006. The Resource Estimate is available under UPC's profile located at www.sedar.com. The Resource Estimate provides the date of the estimate, details of the key assumptions, methods and parameters used in the estimate, details of grade or quality and quantity of each resource 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 Resource Estimate also provides 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 measured or indicated resources or 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 ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies or economic studies except for preliminary assessments as defined under NI 43-101. 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 Ms. J.M. Smith, P.Geo., Senior Vice President, Corporate Development, sxr Uranium One Inc., who is a qualified person for the purposes of NI 43-101.

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

The Uranium One common shares described in this release have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to a U.S. person absent such registration or an available exemption therefrom.

Forward-looking statements: Certain of the statements made herein, including any information as to Uranium One's future financial or operating performance and statements regarding the timing and completion of the U.S. Energy transaction, may be forward-looking and subject to important risk factors and uncertainties, many of which are beyond Uranium One's ability to control or predict. In addition, resource estimates may be forward-looking statements (or forward-looking information) to the extent that they constitute estimates of mineralization that may be discovered in the future. Forward-looking statements are necessarily based on a number of estimates and assumptions that are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, among others, uranium and gold price volatility, impact

of any hedging activities including margin limits and margin calls, discrepancies between actual and estimated production, between actual and estimated reserves and resources and between actual and estimated metallurgical recoveries, changes in national and local government legislation, taxation, controls, regulations and political or economic developments in South Africa, Australia, the United States, Canada or other countries in which Uranium One does or may carry on business in the future, risks of sovereign investment, the speculative nature of uranium and gold exploration and development including the risks of obtaining necessary licences and permits, dilution, competition, loss of key employees, additional funding requirements, and defective title to mineral claims or property. In addition, there are risks and hazards associated with the business of uranium and gold exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and gold bullion losses (and the risk of inadequate insurance or inability to obtain insurance to cover these risks), as well as the factors described or referred to in reports filed by Uranium One with the Canadian securities administrators. Accordingly, readers should not place undue reliance on forward-looking statements. Uranium One undertakes no obligation to update publicly or release any revisions to forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated costs.

To receive the Corporation's news releases by email, please register on Uranium One's website - www.uranium1.com.