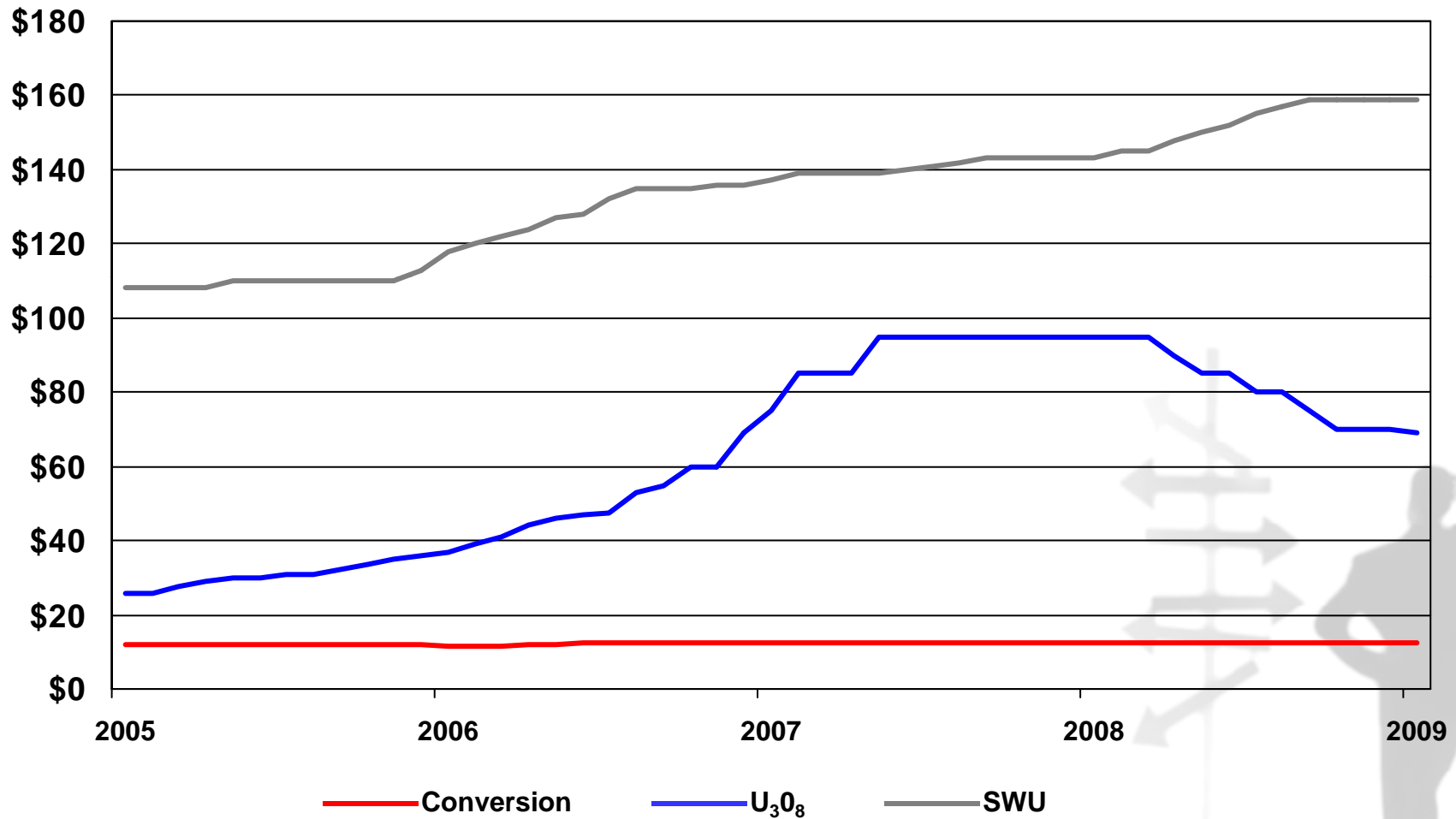


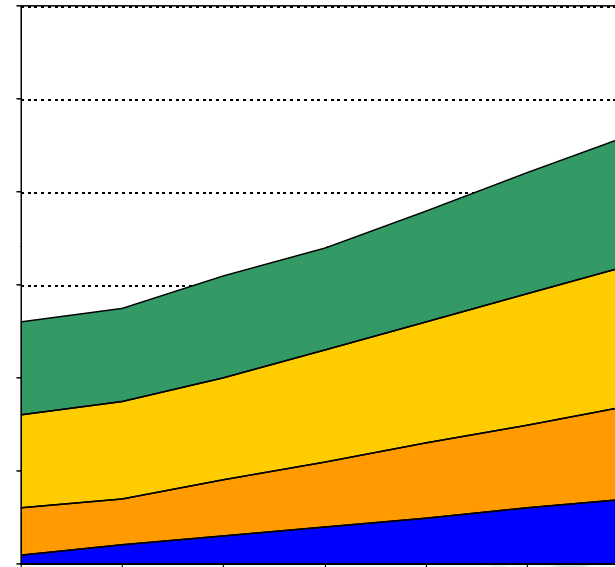
Who Doesn't Need More Conversion?

Ganpat Mani, President & CEO

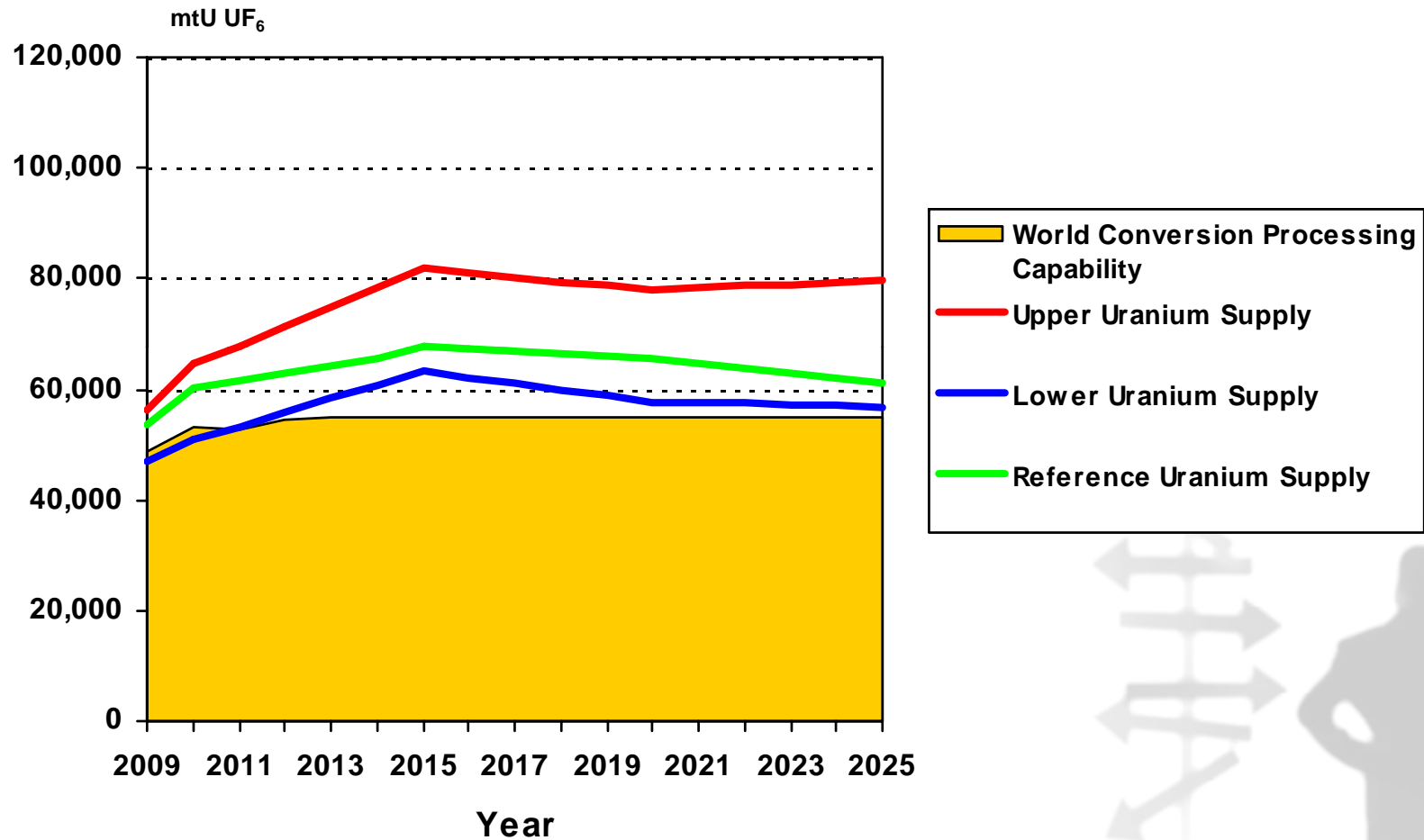




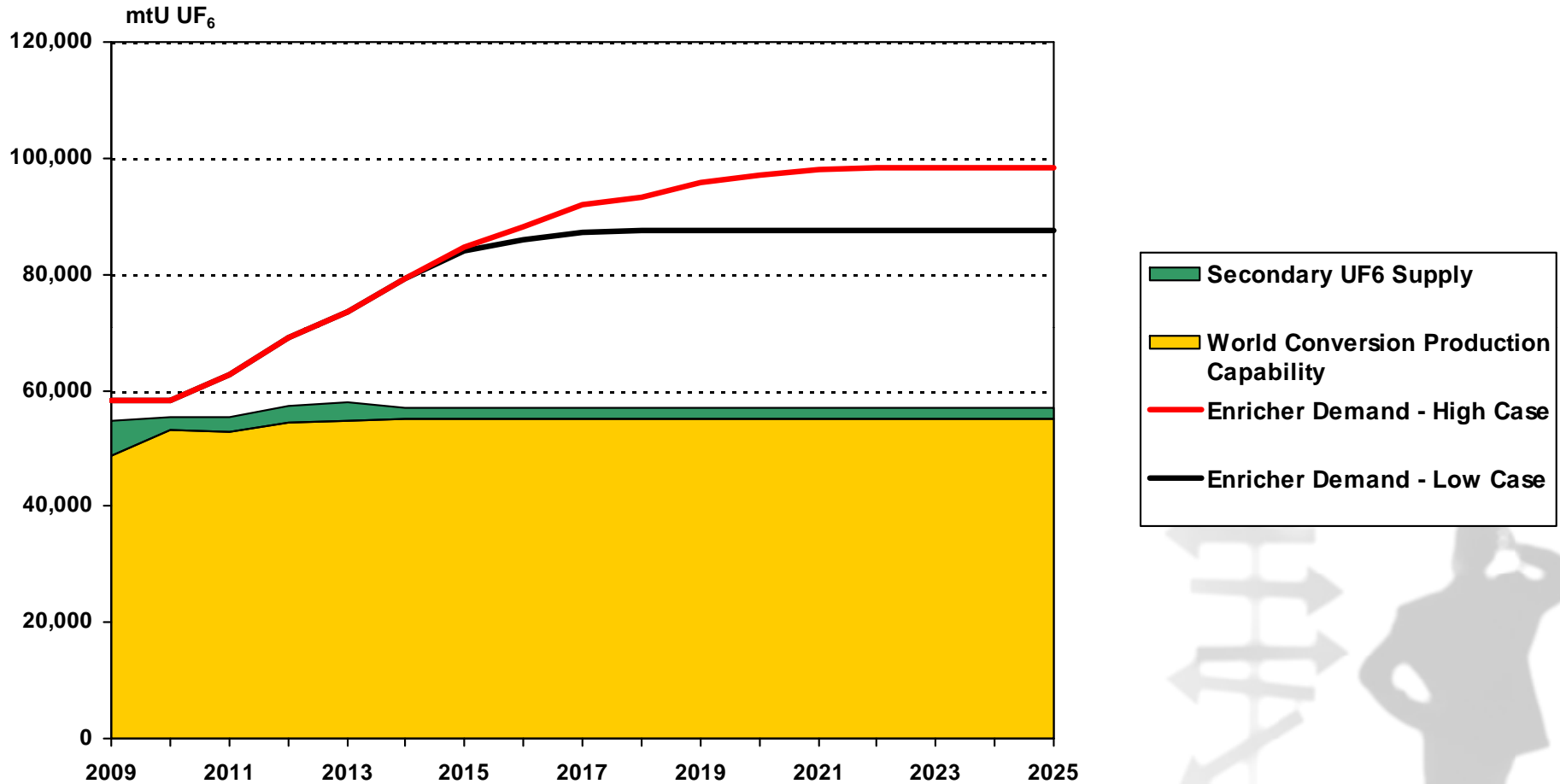
- Capacity Factor Increases
- Restart of Reactors
- New Reactors Under Construction
- New Approved Reactors



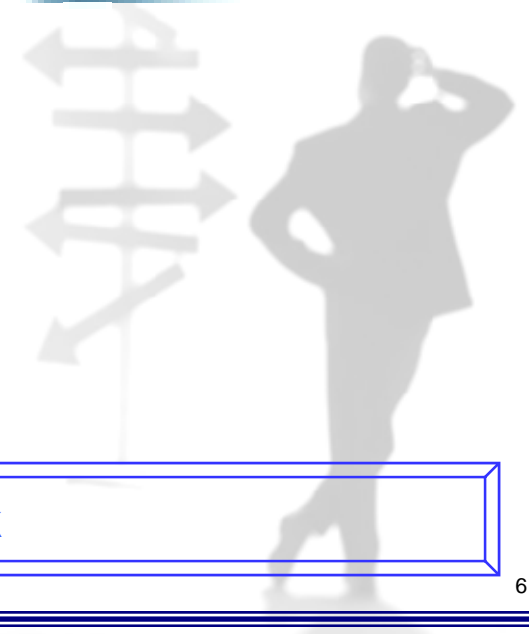
Demand will grow, with or without the Renaissance



Uranium supply may exceed conversion capacity soon



Enrichment feed demand may exceed conversion capacity soon



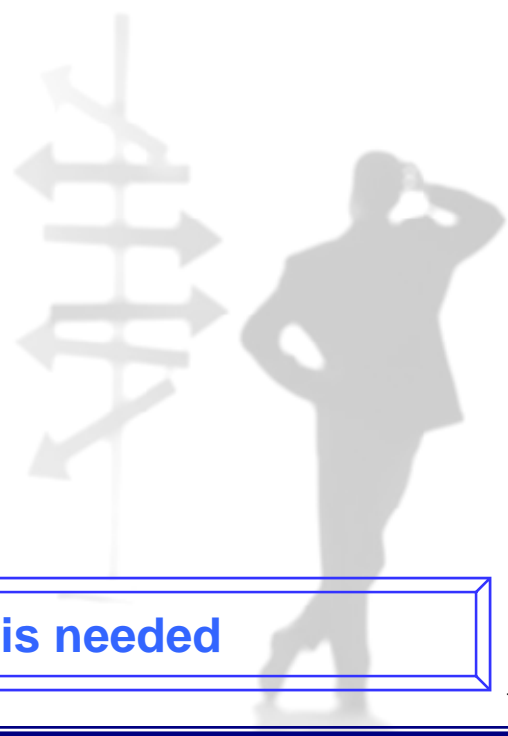
Conversion is a small but critical link

Converter's Challenge:

- Supply / Demand Analysis Supports More Conversion Needed To Meet Uranium And SWU Requirements For Planned Reactors
- Capacity Expansion Is Not Feasible At Current Market Prices

Uncertainty Factors:

- Timing And Financing Of New Reactors
- Impact Of China And India Growth And Sourcing Strategy
- Secondary Supply Sources
 - Government Actions
- Cost And Access To Raw Materials
- Political Policy And Environmental Regulation
- Russian Strategy And Continuance Of Market Restrictions



Better understanding of supply/demand factors is needed

Other Positions On New Build:

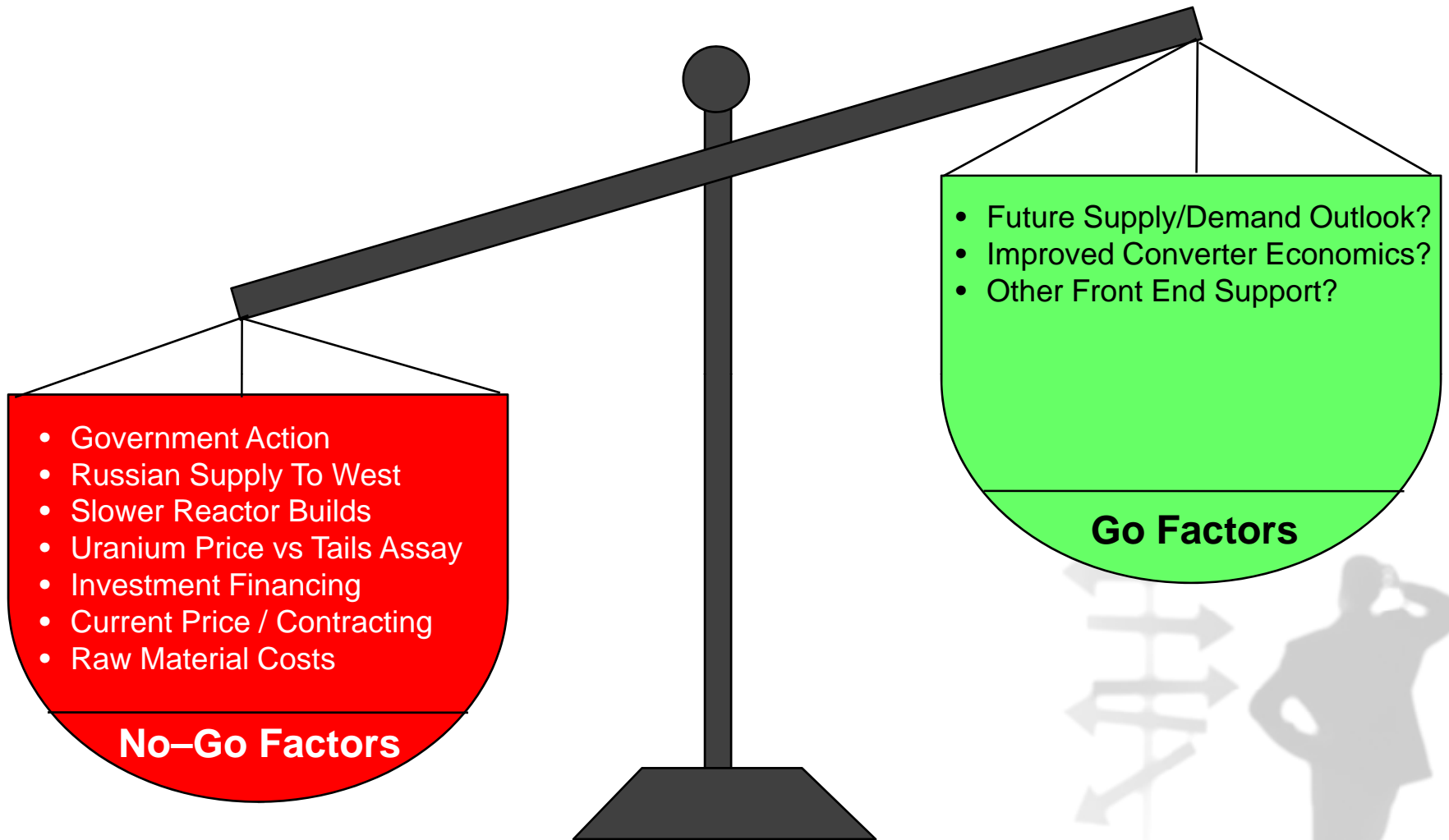
- Cameco:
 - Joint Venture With Kazatomprom Now In Question
 - *"In Light Of Current Market And Economic Conditions, The Partners Have Decided To Discontinue The Feasibility Work And Conduct A Further Review Of The Project To Define The Best Way To Achieve The Desired Scope Of The Initiative By Revisiting And Developing A Range Of Options, Including Alternate Plant Locations."*

Source: Cameco 4Q08 Report
- Comurhex:
 - Replacement Capacity With Comurhex II At 15K mtU By 2012
 - *"Designed Expansion Possibility Up To 21,000 Tonnes If Market Demand Warrants."*

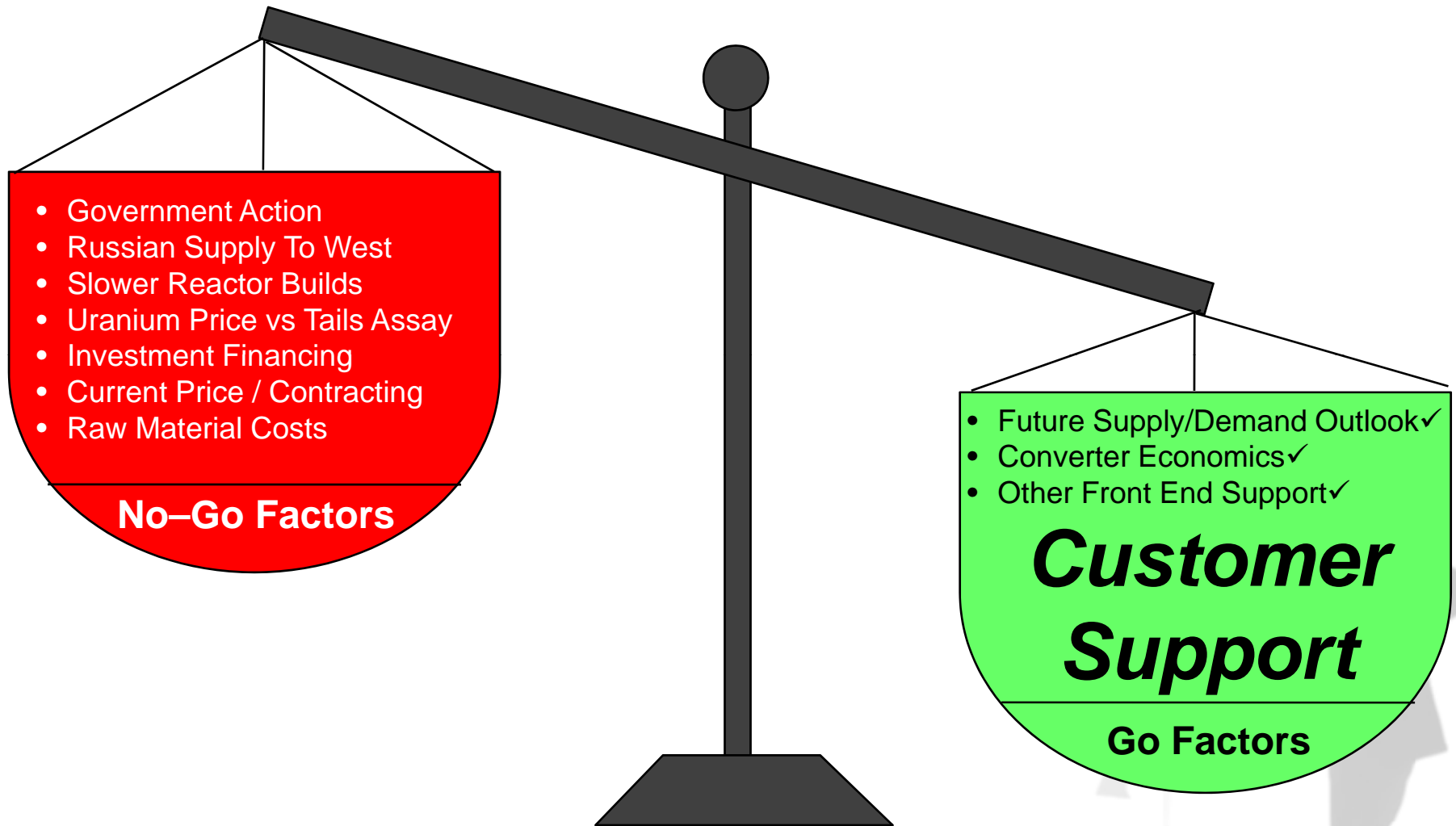
Source: Nukem Market Report, March, 2009
- Springfields:
 - Conversion Expansion Tied To Viability Of Fuel Manufacturing At The Site
 - *"Tolling Agreement Expires In 2016 With Possibility Of Extending."*

Source: Nukem Market Report, March, 2009
- Rosatom
 - Likely Refurbishment & Expansion To Support EUP Sales Growth. Will It Affect Western SWU Expansion ?

Primary converters unable to justify capacity expansion or new build



Need more GO factors



Customer support is key

- Conversion market unfazed by extended supply interruptions
- Reactor fuel needs will increase for many reasons
- Uranium and enrichment expansions will outstrip conversion capacity
- Converters' decisions regarding capacity expansion are at a crossroads



“Our basis of knowledge for estimating the yield ten years hence of a railway, a copper mine, a textile factory, the goodwill of a patent medicine, an Atlantic liner, a building in the City of London amounts to little and sometimes to nothing.” In such an uncertain world, many decisions “can only be taken as a result of animal spirit.” John Maynard Keynes

“It is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own interest.” Adam Smith

