



URANIUM PRODUCERS OF AMERICA

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NEWS RELEASE

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UPA Applauds the DOE Excess Uranium Inventory Management Plan

- **Strikes the right balance between the commercial interests of the domestic nuclear power industry, the domestic uranium mining companies and the US Government (and taxpayer) concerning the Department of Energy's reduction of excess stockpiles of uranium.**
- **Brings predictability to the marketplace that will promote fuel supply security and energy independence.**
- **Supports robust job growth and economic development in uranium production.**

SANTA FE, NM, Monday December 22, 2008 -- The UPA has been actively engaged with the US Utilities and other US fuel cycle companies through the Nuclear Energy Institute to support a consensus approach to government uranium sales. This two year collaborative effort resulted in an Industry Consensus being provided to DOE for consideration in the formulation of their strategies.

UPA President, Mark Pelizza commented;

"The US uranium industry commends DOE Assistant Secretary Spurgeon and the staff in DOE Nuclear Energy Programs for soliciting and incorporating the nuclear industry's input in this important government policy. While the DOE plan is not identical to the Industry Consensus, it follows very close to its scope and spirit."

In particular, the US miners were particularly pleased that the DOE has planned a gradual ramp-up of sales to the commercial market which recognizes that too much government inventory too soon would have had a very damaging affect on employment, capital investment, and ultimately domestic uranium production which is needed by a nuclear fleet poised to expand its safe, clean and economic base load power to American consumers. The miners are also comforted that the DOE ramp-up will supply

quantities equal to no more than 10% of US demand (by 2013). As a result, market analysts can now assume very predictable and transparent limits to the impacts of government supplies going forward.

The sale of government material for initial cores above the sales caps is also part of the DOE's plan and a very welcome development. The UPA championed this language within the Industry Consensus as a way to promote new nuclear expansion in the US (without taxpayer subsidy). The new nuclear plants will provide a healthy and growing market for UPA members produced uranium for decades into the future.

In addition to the DOE, the UPA would like to thank government officials at all levels for their support in this process. We look forward to continued dialog with Energy Secretary Chu and the Obama Administration to implement this broadly accepted policy which supports job growth in the Western United States and contributes to domestic energy security. And finally, UPA extends its appreciation to the Nuclear Energy Institute and our domestic utility customers for their leadership and strategic foresight in crafting the Industry Consensus.

About the Uranium Producers of America

The Uranium Producers of America ("UPA") was founded in 1985 to promote the viability of the domestic uranium industry. Current members are Cotter Corporation, Crow Butte Resources, Inc., Energy Metals Corp., International Uranium Corporation (IUC), Laramide Resources Ltd., Mestena Uranium LLC, Power Resources, Inc., Strathmore Minerals, Uranium Resources, Inc., Neutron Energy Inc., Uranium One, Denison Mines Corp., Power Tech (USA) Inc., UREX Energy Corp., UR-Energy USA Inc., Uranerz Energy Corp., Uranium Energy Corp., Western Uranium Corp., Energy Fuels Resources Group, and Integrated Production Resources. UPA believes that it is vital to the energy independence of the United States that domestic uranium play a role in the front end of the nuclear fuel cycle.