

PHYSICAL URANIUM SALE AND PURCHASE STANDARD TERMS AND CONDITIONS**ARTICLE 1
INTERPRETATION**

- 1.01 Definitions:** The following terms and expressions shall have the following meanings:
- (a) **“Agreed Rate”** means a rate per annum that is equal to three (3) percentage points in excess of the prime rate of interest per annum announced by the JPMorgan Chase Bank, N.A. at New York, New York, as its prime rate of interest for U.S. dollar commercial loans;
 - (b) **“Book Transfer”** means the transfer of ownership of Uranium Material on the books of the Facility from an account of SELLER to the account designated by BUYER either in the Confirmation or by written notice to SELLER (whether or not in the Confirmation) not less than fifteen (15) Business Days prior to the Delivery Date;
 - (c) **“Business Day”** means a day other than a Saturday or Sunday or other day which is an official or statutory holiday in New York City or the location(s) (if any) specified in the Confirmation;
 - (d) **“Confirmation”** means the Physical Uranium Confirmation Annex attached to these terms;
 - (e) **“Credit Rating”** means any of the following: (i) the long-term unsecured, unsubordinated (unsupported by third party credit enhancement) public debt rating; (ii) the debt issuer’s credit rating; or (iii) the corporate credit rating, given by S&P or Moody’s;
 - (f) **“Credit Support Document”** shall have the meaning, if any, specified in the Confirmation;
 - (g) **“Credit Support Provider”** shall have the meaning, if any, specified in the Confirmation;
 - (h) **“Defaulting Party”** shall have the meaning given to that term in Section 8.01;
 - (i) **“Delivery”** shall have the meaning given to that term in Section 5.02, and **“Deliver”** and **“Delivered”** shall have a corresponding meaning;
 - (j) **“Delivery Date”** shall have the meaning specified in the Confirmation;
 - (k) **“Delivery Quantity”** shall have the meaning specified in the Confirmation;
 - (l) **“Early Termination Date”** shall have the meaning given to that term in Section 8.02;
 - (m) **“Effective Date”** shall have the meaning specified in the Confirmation;
 - (n) **“Event of Default”** shall have the meaning given to that term in Section 8.01;
 - (o) **“Facility”** shall have the meaning specified in the Confirmation;
 - (p) **“Facility’s Notice”** means a written notice issued by the Facility confirming the date upon which the Delivery Quantity of the Origin was Delivered to BUYER;
 - (q) **“Event of Force Majeure”** shall have the meaning set forth in Section 7.01;

- (r) **“kg”** means one (1) kilogram;
- (s) **“Loss”** means an amount that the Non-Defaulting Party reasonably determines in good faith to be its total losses and costs (or gain, in which case expressed as a negative number) in connection with the termination of the Transactions, including any payment required to have been made and not made on or before the Early Termination Date. Loss does not include the Non-Defaulting Party's legal fees and out-of-pocket expenses referred to in Section 8.06. The Non-Defaulting Party may (but need not) determine its Loss by reference to quotations of relevant rates or prices from one or more leading traders in the uranium concentrates market who are independent of the Parties;
- (t) **“Market Quotation”** means, with respect to the Non-Defaulting Party, an amount determined on the basis of the arithmetic average of quotations from Reference Market Makers. Each quotation will be for an amount, if any, that would be paid to the Non-Defaulting Party (expressed as a negative number) or by the Non-Defaulting Party (expressed as a positive number) in consideration of an agreement between the Non-Defaulting Party and the quoting Reference Market Maker to enter into transactions that would have the effect of preserving for the Non-Defaulting Party the economic equivalent of any payment or delivery that would, but for the occurrence of the relevant Early Termination Date, have been required after that date. The quotation shall (i) take into account any existing Credit Support Document with respect to the obligations of the Non-Defaulting Party but (ii) disregard any payment required to have been made and not made on or before the Early Termination Date;
- (u) **“Moody’s”** means Moody’s Investors’ Service, Inc., or any successor thereto;
- (v) **“Non-Defaulting Party”** means the Party which is not the Defaulting Party
- (w) **“Offer Period Expiry”** means the time and date in the Offeree’s location (for the purposes of Article 10) specified in the Confirmation and if the time is not specified it shall be deemed to be 5:00pm and if the date is not specified it shall be deemed to be two (2) Business Days after receipt by the Offeree;
- (x) **“Offeree”** and **“Offeror”** shall have the meaning given in Section 2.02;
- (y) **“Origin”** means the country in which the Delivery Quantity was mined and milled as specified in the Confirmation or deemed to be the country of origin by the United States Department of Commerce;
- (z) **“Party”** means either SELLER or BUYER and **“Parties”** means both of them;
- (aa) **“Payment Due Date”** shall be the day thirty (30) calendar days after the later of receipt by BUYER of Facility’s Notice confirming Book Transfer and SELLER’s invoice, unless otherwise specified in the Confirmation;
- (bb) **“Performance Assurance”** shall have the meaning given to that term in Section 8.01(f);
- (cc) **“Pound”** or **“lb”** means one (1) pound avoirdupois;
- (dd) **“Reference Market Makers”** means three (3) leading traders in the uranium concentrates market selected by the Non-Defaulting Party in good faith which satisfy all the criteria that the

Non-Defaulting Party applies generally at the time in deciding whether to offer or to make an extension of credit and which are independent of the Parties;

- (ee) **“Requesting Party”** shall have the meaning given to that term in Section 8.01(f);
- (ff) **“S&P”** means Standard & Poor’s Ratings Service (a division of The McGraw-Hill Companies, Inc.), or any successor thereto;
- (gg) **“Specification”** means (i) in the case of U_3O_8 , the provisions of the American Society for Testing and Materials (ASTM) “Standard Specification for Uranium Ore Concentrate” in effect on the Delivery Date and (ii) in the case of UF_6 , means the provisions of the American Society for Testing and Materials (ASTM) “Standard Specification for Uranium Hexafluoride for Enrichment” applicable to “Commercial Natural UF_6 ” (as defined in the specification) in effect on the Delivery Date;
- (hh) **“Suspension Agreement”** means the suspension agreement which has been entered into and is still in force as of the Effective Date between the United States Department of Commerce and The Russian Federation concerning the import of uranium into the United States of America as such agreement may be amended or replaced;
- (ii) **“Termination Payment”** shall have the meaning given to that term in Section 8.03;
- (jj) **“Total Contract Price”** shall have the meaning given to that term in Section 3.01 and as specified in the Confirmation;
- (kk) **“Trade Reference”** shall be as specified in the Confirmation;
- (ll) **“Transaction”** shall have the meaning given to that term in Section 2.01 and “Transactions” means, at any time, all purchases and sales between BUYER and SELLER that have not yet been performed and are based on these terms;
- (mm) **“ U_3O_8 ”** means natural uranium concentrates with the concentration of the isotope U^{235} being 0.711 weight percent and expressed as triuranium octoxide which conforms to the Specification in effect as of the Delivery Date;
- (nn) **“ U^{235} ”** means the isotope of uranium with the atomic weight 235;
- (oo) **“ UF_6 ”** means natural uranium hexafluoride with the concentration of the isotope U^{235} being 0.711 weight percent which conforms to the Specification in effect as of the Delivery Date;
- (pp) **“Unit”** means Pounds if the Uranium Material is U_3O_8 and Kg if the Uranium Material is UF_6 ;
- (qq) **“Unit Price”** is the price specified in the Confirmation payable by BUYER to SELLER per Unit of Uranium Material Delivered hereunder; and
- (rr) **“Uranium Material”** shall mean either U_3O_8 or UF_6 as specified in the Confirmation.

1.02 Headings: The division of these terms into Articles and Sections, and the insertion of headings, is for convenience of reference only and shall not affect the construction or interpretation of the Transaction. Any reference herein to an Article, Section or other subdivision is a reference to such provision as contained in these terms.

1.03 Expanded Meanings: In these terms, unless there is something in the subject matter or context inconsistent therewith, the singular shall include the plural and the plural shall include the singular.

1.04 Calculation of Number of Days: In any case in which a number of days or Business Days is prescribed in this Agreement, the same shall be determined exclusive of the first day or Business Day and inclusive of the last day or Business Day (as applicable) and if any obligation falls on a day that is not a Business Day, it shall be deemed to fall on the next Business Day.

1.05 Rounding of Numerical Figures: Whenever a numerical figure is to be rounded or calculated to fewer digits than the number of digits available, the following procedure shall be applied unless otherwise specified herein:

- (a) if the first digit discarded is less than five (5), the last digit retained will not be changed; and
- (b) if the first digit discarded is equal to or greater than five (5), the last digit retained will be increased by one (1).

1.06 Currency: All amounts and sums of money referred to herein are expressed in terms of United States dollars and all amounts and sums payable hereunder shall be paid in lawful money of the United States of America.

ARTICLE 2 BASIC TERMS OF PURCHASE AND SALE

2.01 Basic Agreement: SELLER shall sell and Deliver to BUYER, and BUYER shall purchase, pay for and take Delivery from SELLER, of the Delivery Quantity of Uranium Material of the Origin on the Delivery Date at the Facility on the terms set forth herein (the “**Transaction**”).

2.02 Legally Binding: The Transaction shall only become legally binding upon a Party by its execution of a Confirmation substantially in the form of the Annex and such executed Confirmation being notified to the other Party in accordance with Article 10. Where a Party (the “**Offeror**”) executes a Confirmation and sends it to the other Party (the “**Offeree**”) in accordance with Article 10, the Offeror shall be deemed to make an offer to the Offeree in the terms of the executed Confirmation, which offer shall expire at the Offer Period Expiry, prior to which any purported revocation of the offer by the Offeror shall be void. The offer may only be accepted by the Offeree executing the Confirmation and sending it to the Offeror in accordance with Article 10.

2.03 Lot Size: The Delivery Quantity shall be 50,000 Pounds or a multiple of 50,000 Pounds where the Uranium Material is U_3O_8 , and 25,000 kgs or a multiple of 25,000 kgs where the Uranium Material is UF_6 .

2.04 Conveyance: SELLER shall instruct the Facility to (a) Book Transfer the Delivery Quantity to BUYER on the Delivery Date; and (b) provide SELLER and BUYER with a copy of the Facility’s Notice by facsimile or email transmission immediately following the conclusion of such Book Transfer.

2.05 Representation and Warranties by SELLER: SELLER represents and warrants to BUYER that:

- (a) SELLER will have good and marketable title to the Delivery Quantity being sold to BUYER and will convey to BUYER good and marketable title thereto, free and clear of any liens, charges or encumbrances of any description;

- (b) the Delivery Quantity shall be of the Origin; and
- (c) no portion of the Delivery Quantity will have been obtained by SELLER under or through any arrangement, swap, or exchange that violates any applicable laws regarding the importation or use of Uranium Material or, if relevant, is designed to circumvent the import limits for uranium under the Suspension Agreement.

2.06 Representations and Warranties of BUYER: BUYER represents and warrants to SELLER that:

- (a) the Delivery Quantity will be used exclusively for peaceful, non-explosive purposes and in accordance with all applicable laws and regulations; and
- (b) BUYER will impose the obligations in Sections 2.06(a), 2.07(a) and 2.07(b) on any person, company or other entity with which BUYER enters into an arrangement for the sale, transfer, exchange or other disposition of any portion of the Delivery Quantity.

2.07 Representations and Warranties of both Parties: SELLER represents and warrants to BUYER, and BUYER represents and warrants to SELLER that:

- (a) the Transaction is not part of any arrangement, swap, or exchange that violates any applicable laws regarding the importation or use of Uranium Material or, if relevant, which is designed to circumvent the import limits for uranium under the Suspension Agreement;
- (b) on the territory of the Member States of the European Atomic Energy Community (EURATOM), the U_3O_8 under the scope of the Transaction as well as products derived therefrom shall be subject to the safeguards provisions of the EURATOM Treaty and the relevant regulations of the Commission of the European Communities as well as the related agreements between the European Atomic Energy Community the Member States and the International Atomic Energy Agency (herein referred to as "I.A.E.A.") in Vienna. Moreover, the relevant safeguards provisions contained in international agreements concluded by EURATOM will apply as the case may be. The Parties acknowledge and agree that all or any of the U_3O_8 delivered under the Transaction and any products derived therefrom shall be used exclusively in the civil generation of electricity or for other peaceful non-explosive purposes; and
- (c) it constitutes an "eligible contract participant" as such term is defined in Section 1a(12) of the Commodity Exchange Act, as amended.

2.08 Survival of Warranties: The representations and warranties contained in Sections 2.05 to 2.07 (inclusive) constitute continuing representations and warranties and survive completion of the Transaction.

2.9 Exclusivity of Warranties: THE EXPRESS WARRANTIES SET FORTH HEREIN ARE EXCLUSIVE, AND NO OTHER WARRANTIES OF ANY KIND, WHETHER STATUTORY, WRITTEN, ORAL OR IMPLIED (INCLUDING WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE OR MERCHANTABILITY), SHALL APPLY.

2.10 Permits: Each Party shall, at its own expense, be responsible for obtaining all approvals, authorization, consents, licenses, and permits necessary to carry out its obligations hereunder, and to the extent necessary, the other Party shall co-operate as to the obtaining of such approvals, authorizations, consents, licenses, and permits.

2.11 Costs: SELLER shall assume any fees, costs or charges incurred by SELLER or BUYER in causing the Book Transfer to be carried out.

ARTICLE 3 PRICE AND PAYMENT

3.01 Total Contract Price: The amount payable by BUYER for the sale and Delivery of the Delivery Quantity by SELLER pursuant to the Transaction shall be an amount equal to the Delivery Quantity multiplied by the Unit Price (the “**Total Contract Price**”).

3.02 Invoice: SELLER shall send BUYER an invoice for the Total Contract Price bearing the Effective Date and Trade Reference. BUYER agrees that such invoice may be sent by facsimile or email transmission and that receipt of such facsimile or email shall constitute receipt of the invoice for purposes of payment, provided that the original written invoice is received within ten (10) Business Days after the Delivery Date.

3.03 Payment: BUYER shall pay the Total Contract Price on or before the Payment Due Date by electronic transfer of funds immediately available to the account specified on SELLER’s invoice.

3.04 Interest: Any amount payable and not received by SELLER by the Payment Due Date shall bear interest (both before and after judgement) at the Agreed Rate from (and including) the Payment Due Date until (but not including) the actual date of payment.

3.05 Disputed Amounts: Where BUYER disputes in good faith an amount included in the invoice, BUYER shall pay the undisputed portion of the invoiced amount by the Payment Due Date and give notice to SELLER of the amount in dispute and the reasons for the dispute. The Parties shall seek to settle the dispute in good faith as soon as practicable.

ARTICLE 4 TAXES, DUTIES OR CHARGES

4.01 Taxes, Duties or Charges: SELLER shall be responsible for and shall pay any taxes, imposts or duties imposed or levied by or payable to any taxing authority upon or with respect to any or all of the Delivery Quantity prior to Delivery. BUYER shall be responsible for and shall pay any taxes, imposts, or duties imposed or levied by or payable to any taxing authority upon or with respect to any or all of the Delivery Quantity, or the use thereof, coincident with or after Delivery of the Delivery Quantity to BUYER.

4.02 Seller’s Indemnification: SELLER shall indemnify and hold BUYER harmless from and against all costs, expenses, taxes, customs duties, tariffs, assessments and other fees and charges levied or imposed on BUYER by any governmental authority, as well as costs, claims, damages, expenses, losses, liabilities, penalties and injuries incurred by BUYER, each in respect of the ownership, storage, transportation, possession or use of the Delivery Quantity prior to Delivery.

4.03 Buyer’s Indemnification: BUYER shall indemnify and hold SELLER harmless from and against all costs, expenses, taxes, customs duties, tariffs, assessments, and other fees and charges levied or imposed on SELLER by any governmental authority, as well as costs, claims, damages, expenses, losses, liabilities, penalties, and injuries incurred by SELLER, each in respect of the ownership, storage, transportation, possession or use of the Delivery Quantity coincident with or after Delivery.

**ARTICLE 5
TITLE AND RISK OF LOSS**

5.01 Title and Risk of Loss: Title to the Delivery Quantity and, as between BUYER and SELLER, all risk of loss of or damage to the Delivery Quantity and to persons or properties caused by the Delivery Quantity, shall pass from SELLER to BUYER upon Delivery.

5.02 Delivery: “Delivery” of the Delivery Quantity shall occur at the time the Facility completes the Book Transfer.

**ARTICLE 6
DAMAGES FOR NON-PERFORMANCE**

6.01 SELLER’s Failure to Deliver: Unless excused by an Event of Force Majeure or BUYER’s failure to perform, if SELLER fails to Deliver all or part of the Delivery Quantity on the Delivery Date at the Facility, SELLER shall pay to BUYER an amount for each Unit of Uranium Material not Delivered equal to the excess (if any) of (i) the price at which BUYER is or would be able to purchase a Unit of replacement Uranium Material at the Facility, over (ii) the Unit Price. SELLER shall also be liable for any costs and expenses (including attorney’s fees) reasonably incurred by BUYER as direct result of SELLER’s failure to Deliver.

6.02 BUYER’s Failure to Accept Delivery: Unless excused by an Event of Force Majeure or SELLER’s failure to perform, if BUYER fails to accept Delivery of all or part of the Delivery Quantity on the Delivery Date at the Facility, BUYER shall pay to SELLER an amount for each Unit of Uranium Material not Delivered equal to the excess (if any) of (i) the Unit Price, over (ii) the price at which SELLER is or would be able to sell a Unit of the Uranium Material at the Facility. BUYER shall also be liable for any costs and expenses (including interest and attorney’s fees) reasonably incurred by SELLER as direct result of BUYER’s failure to accept.

6.03 Determination of Price: In determining the price, BUYER (in the case of Section 6.01(i)) and SELLER (in the case of Section 6.02(ii)) shall act in good faith and in a commercially reasonable manner and shall not be required to enter into any replacement transactions.

6.04 Payment: Payment of the amount determined under Section 6.01 or 6.02 (as the case may be) shall be made within five (5) Business Days of invoice or notification. Sections 3.03 to 3.05 (inclusive) shall apply (with necessary modifications).

6.05 Liability Cap: If, and only if, specified as applicable in the Confirmation, the liability of a Party under Section 6.01 or 6.02 (as the case may be in relation to the Transaction) shall not exceed the specified percentage of the Total Contract Price in relation to that Transaction.

**ARTICLE 7
FORCE MAJEURE**

7.01 Definition: “Event of Force Majeure” means an event which prevents or delays the performance by a Party of its obligations under the Transaction and arises out of causes beyond the reasonable control and without the fault or negligence of such Party. An Event of Force Majeure includes but is not limited to acts of God, fire, flood, explosion, strikes, labour disputes, sabotage, riots, acts of any civil or military authority, acts of terrorism, government legislation, regulations, actions or inactions, judgment or decision

of a court of law or other authority with the force of law, wars, including any failure or inability due to claim of Force Majeure by the Facility to comply with the instructions of SELLER to effect the Book Transfer of the Delivery Quantity to BUYER. Notwithstanding anything herein to the contrary, the following shall not constitute “Events of Force Majeure” (i) the loss of BUYER’s markets or BUYER’s inability economically to use or resell the Delivery Quantity; (ii) SELLER’s ability to sell the Delivery Quantity to the market at a more advantageous price; (iii) regulatory or contractual disallowance of the pass-through of the costs of Uranium Material or other related costs; and (iv) the financial circumstances of the Party claiming an Event of Force Majeure, including any failure to pay the other Party an amount owing to it.

7.02 Non-Liability for Event of Force Majeure: Subject to the provisions of this Article, where either Party is prevented from performing its obligations hereunder by an Event of Force Majeure, other than the obligation to pay money, the obligations hereunder of both Parties are suspended for the duration of such Event of Force Majeure and neither Party shall be liable to the other for such failure to fulfil obligations.

7.03 Notices: A Party whose performance is affected by an Event of Force Majeure shall promptly give the other Party notice of the occurrence of the Event of Force Majeure, and provide reasonable details thereof, and shall promptly give notice of its anticipated effect on the Party's performance under the Transaction, of any significant change in the nature of the Event of Force Majeure and of any progress made in eliminating it, and of the termination of any Event of Force Majeure and of the anticipated date of resumed performance of contractual obligations.

7.04 Obligations of Affected Party: A Party which fails to fulfil its obligations because of an Event of Force Majeure shall use commercially reasonable efforts to minimize or eliminate the Event of Force Majeure but shall not be required to settle a strike, lockout, work slowdown, work stoppage, or other labour dispute.

7.05 Cancellation of the Delivery: If the Delivery has not been made (at least within fifteen (15) days of the Delivery Date) because of an Event of Force Majeure, either Party may terminate the Transaction and the Transaction shall be of no further force and effect and neither Party shall have any liability to the other Party due to the Transaction not taking place.

ARTICLE 8 TERMINATION

8.01 Events of Default: “Event of Default” means the occurrence at any time and from time to time with respect to a Party or, if applicable, any Credit Support Provider of that Party (the “Defaulting Party”) of any of the following events:

- (a) **Insolvency:** the Party or any Credit Support Provider of the Party:
- (i) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
 - (ii) becomes insolvent or is unable to pay its debts as they become due or fails or admits in writing its inability generally to pay its debts as they become due;
 - (iii) makes a general assignment, arrangement or composition with or for the benefit of its creditors or sends out a notice convening a meeting of its creditors to propose a voluntary arrangement;
 - (iv) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law

affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it by a third party, that proceeding or petition (x) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (y) is not withdrawn, dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation of that proceeding or petition, *provided* that such period shall be extended to ninety (90) days if such party (A) has good grounds to obtain such a dismissal, discharge, stay or restraint, (B) has provided evidence satisfactory to the non-affected party (acting reasonably) within fourteen (14) days of becoming aware of such proceeding or petition that it has such good grounds and (C) has initiated necessary steps to obtain such dismissal, discharge, stay or restraint and *provided* further that such period shall be reduced to zero (0) days where a regulator, supervisor or similar official with primary insolvency jurisdiction over a party or its Credit Support Provider institutes such proceedings;

(v) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);

(vi) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;

(vii) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and that secured party maintains possession, or that process is not withdrawn, dismissed, discharged, stayed or restrained, in each case within 30 days of that event, *provided* that such period shall be extended to ninety (90) days if such party (A) has good grounds to obtain such a dismissal, discharge, stay or restraint, (B) has provided evidence satisfactory to the non-affected party (acting reasonably) within fourteen (14) days of becoming aware of such proceeding or petition that it has such good grounds and (C) has initiated necessary steps to obtain such dismissal, discharge, stay or restraint;

(viii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (i) to (vii) (inclusive); or

(ix) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts referred to in this Section 8.01;

(b) **Representation or Warranty:** any representation or warranty made by the Party or any Credit Support Provider of that Party in the Transaction or any Credit Support Document proves to have been false or materially misleading at the time it was made or was deemed to have been made;

(c) **Non-Payment:** the Party fails to pay any amount when due under the Transaction, and that failure is not remedied on or before the fifth (5th) Business Day after the Non-Defaulting Party gives the Party notice of that failure;

(d) **Material Obligations:** the Party fails to perform a material obligation under the Transaction (other than an obligation referred to in Section 8.01(c)) and that failure is not remedied within five (5) Business Days of the Non-Defaulting Party giving the Party notice of that failure;

(e) **Credit Support:**

(i) the Party or any Credit Support Provider of the Party fails to comply with or perform any agreement or obligation to be complied with or performed by it in accordance with any Credit Support Document if that failure is continuing after any applicable grace period has elapsed;

(ii) any Credit Support Document provided by it being due to expire or terminate within ten (10) Business Days or the failing or ceasing of such Credit Support Document to be in full force and effect (other than in accordance with the relevant Transaction(s)) prior to the satisfaction of all obligations of such party under each Transaction to which such Credit Support Document (directly or indirectly) relates without the written consent of the other party unless such Credit Support Document has been extended, renewed or replaced prior to such time by an alternative Credit Support Document or other credit support acceptable to the other Party (acting reasonably); or

(iii) the Party or any Credit Support Provider of that Party disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, that Credit Support Document;

(f) **Failure To Provide Performance Assurance:** when the other Party (the “**Requesting Party**”) believes in its reasonable opinion and in good faith that a Material Adverse Change has occurred in respect of the Party and requires, by written notice, that the Party provide to it or increase in amount: (x) a letter of credit; (y) cash; or (z) other security (including a bank guarantee), in a form and amount reasonably acceptable to the Requesting Party, (each a “**Performance Assurance**”) and the Party fails to provide the Performance Assurance within three (3) Business Days or as otherwise agreed between the Parties from time to time. A “Material Adverse Change” shall have occurred in respect of the Party if any one or more of the following events has occurred and is continuing:

(i) **Expiry or Failure of Performance Assurance:** if an Event of Default would occur under Section 8.01(e) if the Performance Assurance was considered the Credit Support Document and the Performance Assurance provider was considered the Credit Support Provider;

(ii) **Impaired Ability to Perform:** if in the reasonable and good faith opinion of the Requesting Party, the ability of the Party (unless all of the Party's financial obligations under the Transaction are fully guaranteed under a Credit Support Document) or its Credit Support Provider (if any) to perform its obligations under the Transaction or any Credit Support Document (as the case may be) is materially impaired or the Requesting Party has reasonable grounds for insecurity;

(iii) **Amalgamation/Merger:** if a Designated Event occurs with respect to the Party or any Credit Support Provider of the Party (in each case, “**X**”) and:

(1) the creditworthiness of X or, if applicable, the resulting, surviving, transferee or successor entity of X, after taking into account any applicable Credit Support Document, is, in the reasonable opinion of the other Party, materially weaker immediately after the occurrence of such Designated Event than that of X immediately prior to the occurrence of such Designated Event;

(2) the resulting, surviving, transferee or successor entity of X fails to assume all the obligations of X or such Credit Support Provider under the Agreement or any Credit Support Document to which it or its predecessor was a party by either operation of law or pursuant to an agreement reasonably satisfactory to the Requesting Party; or

(3) the benefits of any Credit Support Document ceases or fail to extend (without the consent of the Requesting Party) to the performance by such resulting, surviving, transferee or successor entity of X of its obligations under the Transaction,

where “**Designated Event**” with respect to X means:

(A) X consolidates or amalgamates with, or merges with or into, or transfers all or substantially all its assets (or any substantial part of the assets comprising the business conducted by X as of the date of the Transaction) to, or receives all or substantially all the assets or obligations of, another entity or reorganises, reincorporates or reconstitutes into or as, another entity;

(B) any person, related group of persons or entity acquires directly or indirectly the beneficial ownership of (i) equity securities having the power to elect a majority of the board of directors (or its equivalent) of X or (ii) any other ownership interest enabling it to exercise control of X;

(C) X effects any substantial change in its capital structure by means of the issuance, incurrence or guarantee of debt or the issuance of (i) preferred stock or other securities convertible into, or exchangeable for debt or preferred stock or (ii) in the case of entities other than corporations any form of ownership interest; or

(D) X enters into any agreement providing for any of the foregoing;

(iv) **Performance Assurance:** If any of the events referred to in Section 8.01(f)(ii) or (iii) occur in relation to any Performance Assurance which has been provided, or to the provider of that Performance Assurance (where references to Credit Support Document were references to that Performance Assurance and references to Credit Support Provider were references to the Performance Assurance provider),

provided that, if an Event of Default occurs in relation to a Credit Support Provider:

(a) that is a financial institution (that is not an affiliate of the relevant Party) under either clauses 8.01(a) (*Insolvency*), 8.01(b) (*Representation or Warranty*) or 8.01(e) (*Credit Support*) then:

(i) an Event of Default shall be deemed not to have occurred in relation to the Credit Support Provider; and

(ii) at the same moment, a Material Adverse Change shall be deemed to have occurred in relation to the relevant Party and a written notice referred to in clause 8.01(f) shall be deemed to have been given to the relevant Party; or

(b) under clause 8.01(a) (*Insolvency*) and the other Party is, at the same moment, the beneficiary of Performance Assurance reasonably acceptable to it, an Event of Default shall be deemed not to have occurred while:

(i) that Performance Assurance remains in full force and effect; and

(ii) no Material Adverse Change occurs in respect of the relevant Party in relation to the relevant Performance Assurance Provider.

8.02 Termination: If, at any time, an Event of Default has occurred and is continuing, the Non-Defaulting Party may, in addition to any other remedies available under the Transaction or at law, designate a day as an early termination date (the “**Early Termination Date**”) in respect of all outstanding Transactions between the Parties. The Early Termination Date may not be earlier than the day the notice is effective nor later than twenty (20) days after such day. This notice shall specify the relevant Event of Default. If notice designating an Early Termination Date is given under Section 8.02(a), the Early Termination Date will occur on the date so designated even if the circumstances giving rise to the Event of the Default are no longer continuing. Upon the effective designation of an Early Termination Date, no further payments or deliveries will be required to be made in respect of any and all Transactions and the amount, if any, payable in respect of an Early Termination Date shall be determined pursuant to Sections 8.03 and 8.04. Termination shall be without prejudice to any accrued rights, obligations or liabilities of the Parties under a Transaction as at the Early Termination Date, including any payment obligation.

8.03 Termination Amount - Calculation: On, or as soon as reasonably practicable after, the Early Termination Date, the Non-Defaulting Party shall reasonably determine in good faith the termination payment (the “**Termination Payment**”), being either:

- (a) the sum (whether positive or negative) of (i) the Market Quotation for the Transactions if a Market Quotation is determined and (ii) any payment required to have been made and not made before the Early Termination Date; or
- (b) the Non-Defaulting Party's Loss (whether positive or negative) for the Transactions if a Market Quotation cannot be determined or would not (in the reasonable belief of the Non-Defaulting Party) produce a commercially reasonable result.

8.04 Payment: On or as soon as reasonably practicable following the Early Termination Date, the Non-Defaulting Party shall notify the Defaulting Party of the Termination Payment showing its calculations in reasonable detail (including evidence of all relevant Market Quotations). If the Termination Payment is a positive number, the Defaulting Party shall pay the Termination Payment to the Non-Defaulting Party within two (2) Business Days of invoice or notification of the Termination Payment amount. Sections 3.03 to 3.05 (inclusive) shall apply (with the necessary modifications). If the Termination Payment is a negative number, neither Party shall have any liability to the other whatsoever.

8.05 Other: In calculating the Termination Payment, the Non-Defaulting Party may take into account any credit support available pursuant to any Credit Support Document or Performance Assurance. A Party shall not be required to enter into replacement transactions in order to determine the Termination Payment. The Non-Defaulting Party may, at its option, set off the Termination Payment against any or all other amounts owing between the Parties under the Transactions.

8.06 Expenses: A Defaulting Party will, on demand, indemnify and hold harmless the Non-Defaulting Party for and against all reasonable out-of-pocket expenses (including legal fees) incurred by the Non-Defaulting Party by reason of the enforcement and protection of its rights under the Transaction and any Credit Support Document, or the early termination of the Transaction.

ARTICLE 9 LIMITATION OF LIABILITY

9.01 Consequential Damages: Except as otherwise specifically set forth herein, in no event, whether under contract, tort (including negligence or strict liability), warranty, indemnity or otherwise, shall a Party be liable to the other Party for any incidental, punitive, exemplary, indirect or consequential damages or losses of any nature and howsoever arising, including, without limitation, loss of profits, loss of use of facilities, or costs of capital.

9.02 Exclusive Remedy: Subject to the rights under Article 8, payment in accordance with Article 6 shall be in full and final satisfaction of the rights of the Parties for any failure to Deliver or accept (as the case may be) Uranium Material in accordance with the Transaction, even where caused by the negligence or breach of duty of a Party.

9.03 Reasonable Pre-estimate: The Parties agree that if Market Quotation applies, an amount recoverable under Article 8 is a reasonable pre-estimate of loss and not a penalty.

ARTICLE 10 NOTICES

10.01 Notices: Any notice, invoice, or other written communication required or permitted to be given hereunder shall be in writing and either be delivered personally to the Party to whom it is directed or sent by facsimile and shall be effective on the day of receipt of the notice if received during normal business hours of the addressee, and if not received during such normal business hours, then on the first Business Day of the addressee after such receipt. A successful facsimile transmission report shall be conclusive evidence of receipt of a facsimile and a delivered email receipt shall be conclusive evidence of receipt of an email transmission.

10.02 Addresses: The street address and facsimile number for service of any notice on a Party shall be as specified in the Confirmation or as notified by that Party to the other Party in writing from time to time.

ARTICLE 11 ASSIGNMENTS

11.01 Consent Required for Assignment: Neither Party may assign any of its rights under this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed; provided, however, that either Party may assign any of its rights hereunder upon written notice, without such consent, to its parent company, its affiliates, or its bank or other financial institution. No such assignment shall relieve the assignor from any of its obligations hereunder. Any purported assignment that is not in compliance with this Section 11.01 shall be void.

11.02 Enurement: This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

ARTICLE 12
APPLICABLE LAW; ARBITRATION

12.01 Governing Law: The Transaction shall be governed by and construed in accordance with the substantive laws of the State of New York without regard to its conflict of law principles. The Parties expressly exclude the application of the United Nations Convention on Contracts for the International Sale of Goods.

12.02 Arbitration: Subject to the selection of Option A or Option B in the Confirmation, any dispute, controversy or claim arising out of or relating to the Transaction shall be referred to binding arbitration with its seat located at, and under the rules, as follows:

Option A: Seat: London, England
 Rules: London Court of International Arbitration

Option B: Seat: New York City, New York, USA
 Rules: American Arbitration Association's International Centre for Dispute Resolution

12.03 Procedure: The following shall apply to any arbitration:

- (a) Any judgement on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof, solely for the purposes of enforcement.
- (b) The number of arbitrators shall be three (3), one selected by each Party and the third selected by those two arbitrators.
- (c) The location where hearings take place in relation to any arbitration shall be the seat of the arbitration or such other place as the Parties may agree upon.
- (d) The language of the arbitration shall be English.
- (e) The decision of the arbitrator shall be rendered in writing with all reasonable expedition and shall be final and binding upon the Parties and shall not be subject to appeal or review, by certiorari or otherwise, to or by any court or tribunal whatsoever; provided however, that any Party may take action in any court of competent jurisdiction to enforce such decision.
- (f) The costs and expenses of the arbitrator shall be borne by the Parties equally. Each Party shall bear all of its other costs and expenses incurred in any such proceeding including, without limitation, its attorney's fees in such proceeding.

ARTICLE 13
WAIVER

13.01 Waiver: No waiver, alteration, amendment, modification of the terms of a Transaction, or any covenant, condition, or limitation herein contained is valid unless in writing and duly executed by each Party. Furthermore, no evidence of any waiver, alteration, amendment, or modification shall be offered or received in evidence in any proceeding, arbitration, or litigation between the Parties arising out of or affecting a Transaction, or the rights or obligations of either Party hereunder, unless such waiver, alteration, amendment, or modification is in writing, and duly executed. Further, the provisions of this Article may not be waived.

ARTICLE 14 CONFIDENTIALITY

14.01 Confidentiality: The Parties shall treat the Transaction as confidential, and neither Party shall disclose its contents without the prior written consent of the other Party to any person except to its affiliates, legal advisors, financing sources, auditors, intending assignees (on the basis that confidentiality is preserved by them) or price reporting agencies (in respect of Unit Price, Delivery Quantity and Delivery Date only and where they undertake to keep the identity of the Seller and Buyer confidential). If disclosure is required to comply with the laws or regulations of a government or government agency or by a court having jurisdiction over one of the Parties or if a Party is required by the rules of a stock exchange, such Party may so disclose notwithstanding the foregoing upon prior notice to the other Party.

ARTICLE 15 MISCELLANEOUS

15.01 Severability: In the event any portion or part of the terms of the Transaction is deemed invalid, against public policy, void or otherwise deemed unenforceable by a court of law or administrative body of competent jurisdiction, the Parties shall negotiate an equitable adjustment in the affected provision, however, the validity and enforceability of the remaining portions hereof shall otherwise be fully enforceable.

15.02 Nonrecourse: No past, present or future trustee, beneficiary, director, officer, employee, partner, affiliate, agent, attorney or representative of either Party shall have any liability for any obligations or liabilities of such Party under the Transaction or for any claim based on or in respect of the Transaction.

15.03 Entire Agreement: These terms together with the Confirmation (and any other referenced document therein) sets forth the entire agreement between the Parties hereto with respect to the subject matter hereof, and supersedes all prior proposals, negotiations, undertakings, notes, memoranda, and agreements, whether written or oral, concerning the subject matter hereof. Any modification, alteration, or amendment of the terms of the Transaction shall be in writing dated after the date hereof and duly executed by both Parties.

15.04 Counterparts: The Confirmation may be executed in any number of counterparts (including by facsimile or email transmission) each of which when executed and delivered is an original, but all the counterparts together shall constitute one and the same document.

**PHYSICAL URANIUM SALE AND PURCHASE
STANDARD TERMS AND CONDITIONS**

PHYSICAL URANIUM CONFIRMATION ANNEX (“PUCA”)

This Confirmation evidences the terms and conditions of the binding agreement between the Seller and Buyer named below regarding the Transaction(s) described below, and incorporates by reference the Physical Uranium Sale And Purchase Standard Terms And Conditions (v1.0).

The terms of the Transaction to which this Confirmation relates are as follows:

Effective Date:	[]
Offer Period Expiry:	[time and date in Offeree’s location]	
Trade Reference:	[internal code for deal recognition]	
Seller:	[]
Buyer:	[]
[Broker:	[Broker's full legal name]]
Uranium Material:	[U ₃ O ₈ /UF ₆]
Origin of Uranium Material:	[]
Facility:	[]
Buyer’s Designated Account:	[specify/TBA]
Business Day location	[specify (if any)]
Delivery Quantity (in Units):	[]
Delivery Date:	[]
Unit Price (in USD per Unit):	[]
Total Contract Price (in USD):	[]
Payment Due Date:	[N/A/specify specific date/within x Business Days after Delivery/within x Business Days after receipt of Facility’s Notice/within x Business Days of later of receipt of invoice (by facsimile or email) and Facility’s Notice/Delivery]	
Liability Cap: Applicable	[Yes/No]
Percentage of Total Contract Price	[]

Arbitration Seat and Rules: [Option A/Option B]

Seller’s Bank Account: []

Seller’s Credit Support Document (if any): []

Seller’s Credit Support Provider (if any): []

Buyer’s Credit Support Document (if any): []

Buyer’s Credit Support Provider (if any): []

Other Terms:

SPECIAL CONDITIONS:

Any correspondence that is initiated by a broker regarding the Transaction(s) is solely to confirm the broker's involvement in the Transaction(s) and/or commission rate (if applicable). This Confirmation shall be the only valid confirmation and documentary evidence of the Transaction(s).

Please confirm that the foregoing correctly sets forth the terms and conditions of the Transaction(s) by returning via facsimile or email an executed copy of this Confirmation. If you believe that this Confirmation does not correctly set out the terms of our agreement, please send a response which sets out in detail the alleged inaccuracy. However, any failure to respond within such time will not be a breach of the Transaction(s).

If your response contains additional or different terms from those set out in this Confirmation, they shall only become part of the Transaction(s) if we expressly agree in a supplemental written confirmation.

We look forward to your confirmation of the Transaction.

Dated:

Signed _____

Signed _____

Duly authorised on behalf of the Seller

Duly authorised on behalf of the Buyer