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To: [rfiskster@gmail.com](mailto:rfiskster@gmail.com)  
Sent: 6/24/2010 10:08:20 P.M. Eastern Daylight Time  
Subj: Re: Russian uranium

Tks much Rod.....struggling with health issue(sound familiar) but ok thank heaven.

best  
Doug

-----Original Message-----

From: Rod Fisk <[rfiskster@gmail.com](mailto:rfiskster@gmail.com)>  
To: William D. Campbell <[sigmatrnsntl@aol.com](mailto:sigmatrnsntl@aol.com)>  
Sent: Thu, Jun 24, 2010 2:56 pm  
Subject: Russian uranium

Good afternoon Doug,

Hope all is well and that you are not suffering from the incredible heat we are having at the moment?

The attached article is of interest as I believe it highlights the ongoing resolve in Russia to gradually and systematically acquire and control global energy resources. I spoke with a senior Uranium One Executive (the company was formed in South Africa and I know the former Chairman and some of the senior personnel) and he said that corporate Management was not even told before the announcement was made. There are a lot of concerns and several have said confidentially that they will support the sale to ARMZ, get their \$1.06/share payout, sell their shareholdings and then resign. The premium of a dollar per share, on a stock-price of just over two dollars per share, is also pretty strange.

One of my neighborhood colleagues who has a powerboat next to me in the marina told me his electrical system was fried by lightning on Tuesday evening, during a storm which came through here. I went down to Mujaji this morning to check and everything seems to be OK. I have a very large cable leading from the foot of the mast to the keel bolts and the whole electrical system is protected by some heavy duty fuses and circuit breakers (the Germans are pretty thorough in that regard) so maybe I was just lucky. I find it strange however as my mast is a good 30 feet higher than the fly-bridge of his boat.

Best regards

Rod

### **Despite price fall, ARMZ confident of Uranium One shareholder approval**

*Shares in the Canadian firm have fallen as much as 16% since the deal with Russian state-controlled nuclear group were first announced.*

Author: Eric Onstad (Reuters)  
Posted: Monday, 21 Jun 2010  
LONDON, (REUTERS) -

Russia's ARMZ is confident Uranium One shareholders will approve a plan for ARMZ to take control of the company, despite a tumble in its share price due to uncertainty over the deal. Shares in Canada's Uranium One have shed as much as 16 percent since June 8 when it unveiled a deal for Russian state-controlled nuclear group ARMZ to boost its holding to 51 percent in exchange for stakes in two Kazakh uranium mines.

"I'm 100 percent positive (it will be approved). All the shareholders whom I talk to, by the end of the conversation, they become excited about the transaction," ARMZ General Director Vadim Zhivov told Reuters on Monday in London.

Some analysts had worried that Russia's goals might be at odds with minority shareholders, who are due to receive a \$1.06 special dividend as part of the deal.

ARMZ is keen to keep minority shareholders happy because it may use Uranium One shares to pay for further acquisitions as it aims to capture a top-three ranking in the sector, Zhivov said.

If the deal is approved, Uranium One will immediately vault to the fifth ranking in terms of production from ninth.

Holding on to its status as a low-cost producer, however, is more important than volumes, he added.

Its growth programme will target Kazakhstan -- which became the world's largest uranium producing country last year, jumping ahead of Canada -- and Africa, Zhivov said in an interview.

The company will focus not only on Namibia, where many companies are already operating, but other areas as well.

"We'll talk to all the interested parties... There are lots of interesting discoveries in Tanzania, for example, and some other regions of Africa. Namibia obviously is an interesting place, but it's not only the companies, there's a lot of prospective areas for exploration purposes."

ARMZ formed a exploration venture in Namibia -- SWA Uranium Mines -- two years ago with two partners.

There is also scope for more growth in Kazakhstan, a country sparking keen interest from rivals, including diversified miners BHP Billiton and Rio Tinto, Zhivov said.

"We've been approached while operating in Kazakhstan by every single major mining player to give them a chance to operate uranium deposits in Kazkahstan," he said, adding that this took place before it agreed a deal with Uranium One.

"To the best of my knowledge, Rio Tinto, BHP Billiton are interested in Kazakhstan, I just don't know any single player who is not."

Rio and BHP are the world's fourth- and sixth-biggest uranium producers based on attributable 2009 output. Uranium prices were likely to be flat over the next few years, but have good potential for long-term growth due to strong expected expansion in new nuclear plants, he added.

The spot uranium price has shed about a quarter over the past 12 months to \$40.75 per pound and is well down from its peak of \$136 in June 2007.

"I would say that the price is going to be stable for the next couple of years, which suits Uranium One perfectly... There is no danger for the lowest-cost producer."

The market should tighten after 2013, when secondary supply from Russia is expected to dry up and a massive reactor building programme in China, India and Russia creates more demand, he said.

(Reporting by Eric Onstad; editing by Simon Jessop and Michael Shields)

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