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## **FIRST SHIPMENT OF URANIUM CONCENTRATES LEAVES AUSTRALIA**

Energy Metals Limited ("Energy Metals" or "the Company") is pleased to announce that the shipment of natural uranium concentrates ("Concentrates") to CGNPC-Uranium Resources Corporation Ltd ("CGNPC-URC") has left Australia for China. The shipment took place under the Natural Uranium Concentrates Sales Agreement signed in December 2011 and is the first shipment of the Company's newly launched uranium trading business.

The Concentrates were purchased by NT Energy Pty Ltd, a wholly owned subsidiary of Energy Metals, from an independent Australian supplier on a Delivery at Place basis. The Concentrates are expected to arrive in China mid October 2012 where they will be re-sold to CGNPC-URC.

Energy Metals and NT Energy's Managing Director Weidong Xiang said that this first shipment to CGNPC, a large nuclear power operator in China, heralds a new chapter for the Company.

"This initial shipment represents the beginning for NT Energy as a new uranium trader or exporter in Australia."

"China has an enormous appetite for energy and is a significant potential market for Australian uranium. The unique relationship between Energy Metals and CGNPC gives the Company an excellent commercial opportunity to enter into the China market to capitalise this rapidly growing demand for energy and create wealth for our shareholders."

"We greatly appreciate the strong support from the Australian and Chinese governments and our largest shareholder CGNPC, the patience of our supplier, and the efforts of the NT Energy team. We are confident that this first shipment marks the start of a significant opportunity for both the Company and Australian uranium producers."

Yours sincerely,

A handwritten signature in black ink, appearing to be the Chinese characters '向伟东' (Xiang Weidong).

**WEIDONG XIANG**  
Managing Director

## **Discussion**

China represents a significant potential market for Australia's uranium. China currently has 15 nuclear reactors in operation and, in order to satisfy rapidly growing demand for electricity and reduce reliance on fossil fuels, China plans to increase this capacity dramatically over the coming decades and has 26 reactors currently under construction.

To date sales of Australian uranium to China have been modest with only 3% of Australia's 2009 uranium exports purchased by China. However the unique relationship between Energy Metals and CGNPC presents a significant opportunity for Australia to capitalise on this rapidly growing and increasingly important market. In that context this trial shipment of uranium to CGNPC, if successful, is expected to have positive implications for the future of the Australian uranium industry.

An increase in uranium exports to China has the potential to provide extensive commercial benefits to both Australia and the individual Australian States and Territory involved in the form of increased economic activity, government revenues and export earnings. This potential future growth has the possibility of taking the form of construction projects, investments in plant and equipment and community infrastructure. Such projects and developments offer particular benefits to regional Australia (including Indigenous Australian groups) where these projects are predominantly located.

## **About CGNPC**

CGNPC currently owns 6 operating nuclear power units producing 6,000MWe of electricity. Construction has commenced on a further 15 nuclear power units with a total capacity of 17,500MWe, meaning CGNPC has the largest nuclear power installed capacity currently under construction worldwide.

CGNPC has more than 30 subsidiaries and is the only clean energy corporation in China with nuclear power as its core business. All uranium sourced by CGNPC is used solely for civil use in operating nuclear power stations supplying electricity to Chinese domestic and commercial end-users. CGNPC currently imports uranium from Europe, central Asia (Kazakhstan and Uzbekistan) and Africa. CGNPC also has a joint venture with AREVA (France) related to technology supply for nuclear plants.

CGNPC's stated strategy is aimed at constructing a world-class clean energy enterprise and becoming the world's leading clean energy supplier and service provider.