

22 October 2012

Company Announcements Office  
Australian Securities Exchange Limited  
20 Bridge Street  
SYDNEY NSW 2000

Energy Metals Limited  
ABN 63 111 306 533  
Ground Floor  
10 Kings Park Road  
West Perth WA 6005  
PO Box 1323  
West Perth WA 6872  
Western Australia  
Telephone: (08) 9322 6904  
Facsimile: (08) 9321 5240  
Email: enquiry@energymetals.net  
Web: www.energymetals.net



## **UPDATE ON FIRST SHIPMENT OF URANIUM CONCENTRATES**

Energy Metals Limited ("Energy Metals" or "the Company") is pleased to announce that the first shipment of natural uranium concentrates arrived in China and has been re-sold to CGNPC-Uranium Resources Corporation Ltd under the Natural Uranium Concentrates Sales Agreement signed in December 2011.

Energy Metals believes that the success of this first shipment marks the beginning of a significant opportunity for the Company's newly launched uranium trading business to capitalise on the rapidly growing demand for energy in China.

Yours sincerely,

A handwritten signature in black ink, appearing to read '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.