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First Uranium Corporation

NEWS RELEASE – March 12, 2010

FIRST URANIUM ANNOUNCES CONVERTIBLE NOTE FINANCING AND RESTRUCTURING

(all amounts are in Canadian dollars unless otherwise indicated)

Toronto and Johannesburg – First Uranium Corporation (TSX:FIU, JSE:FUM) (ISIN:CA33744R1029) (“First Uranium” or the “Company”) announces that it has entered into heads of agreement for a private placement offering (the “Offering”) of a minimum of \$125 million and maximum of \$150 million in senior secured convertible notes due March 31, 2013 (the “Notes”). The Notes consist of: (i) \$40 million in South African Rand denominated Notes (the “Rand Notes”) to be purchased by Simmer and Jack Mines Ltd. (“Simmer and Jack”); (ii) \$20 million in Canadian dollar denominated Notes (the “Canadian Notes”) to be purchased by Gold Wheaton Corporation (“Gold Wheaton”); and (iii) a minimum of \$65 million and maximum of \$110 million Canadian Notes to be offered to accredited investors by RBC Capital Markets Inc. acting as exclusive placement agent for the Company. Gold Wheaton may reduce its \$20 million commitment to the extent that the private placement offering to accredited investors exceeds \$65 million in gross proceeds. The Offering is expected to close on March 31, 2010, unless otherwise agreed by the parties, but in any event will not close earlier than March 26, 2010.

Each Canadian Note will have a principal amount of \$1,000 and will be convertible into 769.2307 common shares of First Uranium (“Common Shares”) representing a conversion price of \$1.30, a 13% discount to the 5-day volume weighted average price of Common Shares. Each Rand Note will have a principal amount of ZAR1,000 and will be convertible into 107.36 Common Shares, also representing a conversion price of \$1.30.

The Notes will be guaranteed by the subsidiaries of the Company, secured by second ranking security over all assets currently encumbered by Gold Wheaton and first security over all other current and future assets of the Company, not be redeemable until maturity and be subject to typical anti-dilution protections.

In connection with the Offering, Simmer and Jack has agreed to exchange its \$22.1 million loan amount plus accrued and unpaid interest for an equivalent value of Rand Notes (“Debt Payment”).

Also in connection with the Offering, Gold Wheaton has agreed to settle in part the US\$42 million

completion penalty due pursuant to its gold stream transaction for 14 million Common Shares and a commitment to complete construction of the third gold plant module and satisfaction of the technical completion tests prior to September 1, 2011 (the "Penalty Payment"). In the event that the construction and tests are not met by such date a US\$1.5 million payment shall be payable by First Uranium to Gold Wheaton on the first day of each of September, October, November and December 2011 unless such tests have been met prior to such date. In the event that these commitments to construction and technical completion are not met prior to December 1, 2011, a remaining penalty of US\$30 million will be payable.

The Company has 166,847,037 issued and outstanding Common Shares currently. Assuming conversion of all of the Notes to be issued pursuant to the maximum Offering, Debt Payment and the Penalty Payment 146,843,304 Common Shares, equal to 88% of the currently issued and outstanding Common Shares and 47% of the post conversion issued Common Shares will be issued. Simmer and Jack currently holds 62,122,653 Common Shares of the Company. If the \$62,696,295 of Notes were converted, Simmer and Jack would acquire an additional 48,227,920 common shares, bringing its holdings to 48% of the issued and outstanding common shares of the Company, assuming the other \$110 million principal amount of Notes were not converted but giving effect to the issuance to Gold Wheaton at closing of the 14 million Penalty Payment Common Shares. Gold Wheaton does not hold any Common Shares of the Company currently.

If the \$20,000,000 of Notes were converted, Gold Wheaton would acquire 15,384,615 Common Shares which, in addition to the 14,000,000 Penalty Payment Common Shares, would bring its holdings to 17% of the issued and outstanding Common Shares of the Company, assuming the other \$152,696,295 principal amount of Notes were not converted.

The following table summarizes the Notes Offering:

<u>Transaction</u>	<u>Amount of Senior Secured Notes</u>	<u>Conversion Entitlement</u>
Simmer and Jack Debt Conversion	\$22,696,295 ⁽¹⁾	17,458,689
Simmer and Jack Placement	Rand equivalent of \$40,000,000	30,769,231
Gold Wheaton Placement	Up to \$20,000,000	Up to 15,384,615
Private Placement	\$65,000,000 - \$110,000,000	50,000,000 - 84,615,385

(1) includes accrued and unpaid interest to the date hereof.

The commitments of Simmer and Jack and Gold Wheaton are conditional upon, among other things, raising a minimum of \$125 million under the Offering, the Common Shares remaining listed on the Toronto Stock Exchange ("TSX"), granting of security, regulatory approval, settlement of definitive documentation and settlement of an anti-dilution agreement permitting Simmer and Jack to retain its pro rata holding.

Changes to management and board of directors are proposed, subject to TSX approval of the nominees. The changes include the appointment of Deon van der Mescht as Interim Chief Executive Officer. Mr. van der Mescht will resign as CEO of Simmers immediately prior to his appointment by First Uranium. The board will also be restructured on closing of the Offering to include three nominees of Simmer and Jack. If Gold Wheaton subscribes for a minimum of \$10 million of the Notes, then Gold Wheaton shall be entitled to nominate one of the independent directors.

A mining engineer by profession, Deon van der Mescht has over 25 years' experience in the South African gold mining industry. Following his tenure as General Manager of DRD's Blyvooruitzicht operation, Deon was appointed Divisional Director of DRDGold's South African operations in 2003 which included Buffelsfontein Gold Mine. He joined Simmer and Jack in November 2005 as chief operating officer and was appointed as the managing director of Simmers' Gold Division early in 2009. In January 2010, he was appointed CEO of Simmer and Jack.

The Offering is subject to the approval of the TSX. Since the Offering will (i) provide for the issuance of common shares to an insider of the Company of greater than 10% of the number of common shares of the Company which are currently outstanding and (ii) provide for the issuance of common shares of greater than 25% of the current outstanding common shares of the Company, the rules of the TSX require that, unless an exemption is applicable, the Company obtain approval of the Offering from the holders of a majority of the common shares of the Company, excluding the votes attached to the common shares held by Simmer and Jack. The Company is relying upon exemptions from the security holder approval requirements of the TSX in Subsection 604(e) of the TSX Company Manual available in cases of financial hardship. Specifically, the Company has received an exemption from the security holder approval requirement applicable to the size of the Offering proposed. The Company's board of directors, and its independent directors, acting in good faith, have determined that the Company faces serious financial difficulty and that the proposed Offering has been designed to improve the financial position of the Company. As a consequence of relying upon the financial hardship exemptions, the TSX has informed the Company that it will, in the ordinary course, commence a delisting review. The Company believes that, upon completion of the Offering, it will be in compliance with TSX listing requirements.

In addition, the Company is relying upon exemptions from the minority approval and valuation requirements of Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions, on the basis of financial hardship. The Company's current payables do not, in the Company's estimation provide comfort to wait for 21 days to begin closing the Offering. As previously announced, the Company's financial situation has been severely compromised by the termination of discussions regarding certain financing options as a result of the decision to withdraw and subsequently reinstate the Company's environmental authorization for the new Tailings Storage Facility designed to accommodate future tailings deposition at the Company's Mine Waste Solutions tailings recovery project.

The completion of the Offering is subject to the approval of the TSX, all other necessary regulatory approvals and the settlement of definitive documentation. The securities issuable pursuant to the Offering will be subject to applicable regulatory hold periods. Proceeds of the Offering will be used for MWS capital expenditures including completion of the first gold module and uranium plant, new tailings facility, the third gold plant module, restructuring, financing and interest expenses and for general corporate purposes.

For this transaction, the Special Committee of First Uranium was advised by RBC Capital Markets Inc. Fraser Milner Casgrain LLP provided the Special Committee with legal advice relating to the transaction. Simmer and Jack was advised by Rand Merchant Bank and Stikeman Elliott LLP and Gold Wheaton was advised by Paradigm Capital Inc. and Cassels Brock & Blackwell LLP.

These securities have not been and will not be registered under the United States Securities Act of 1933, as amended, or the securities laws of any state, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons unless an exemption from the registration requirements of the United States Securities Act of 1933, as amended, and all applicable state securities laws is available. This press release does not constitute an offer to sell or the solicitation of an offer to buy these securities in the United States or to, or for the account or benefit of, U.S. persons.

About First Uranium Corporation

First Uranium Corporation (TSX:FIU, JSE:FUM) is focused on its goal of becoming a significant low-cost producer of uranium and gold through the expansion of the underground development to feed the new uranium and gold plants at the Ezulwini Mine and through the expansion of the plant capacity of the Mine Waste Solutions tailings recovery facility, both operations situated in South Africa. First Uranium also plans to grow production by pursuing value-enhancing acquisition and joint venture opportunities in South Africa.

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This news release contains and refers to forward-looking information based on current expectations. All other statements other than statements of historical fact included in this release are forward-looking statements (or forward-looking information). No assurance can be given that the transactions contemplated herein will be concluded. The Company's plans involve various estimates and assumptions and its business and operations are subject to various risks and uncertainties. For more details on these estimates, assumptions, risks and uncertainties, see the Company's most recent Annual Information Form and most recent Management Discussion and Analysis on file with the Canadian provincial securities regulatory authorities on SEDAR at www.sedar.com. These forward-looking statements are made as of the date hereof and there can be no assurance that such statements will prove to be accurate, such statements are subject to significant risks and uncertainties, and actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements that are included herein, except in accordance with applicable securities laws.