First Uranium Corporation

First Uranium Announces Financial Results For the Three Months Ended June 30, 2010

Management Discussion & Analysis is appended to this release.
For Financial Statements see the Company's website at www.firsturanium.com.

All amounts in US dollars unless otherwise noted

Summary

- Mine Waste Solutions revenue increased 131% over Q1 2010
- Ezulwini Mine revenue increased 435% over Q1 2010
- Gross profit totaled $6.8 million, up from loss of $3.9 million in Q1 2010
- Net loss totaled $12.0 million, versus loss of $33.3 million in Q1 2010
- Cash reserves totaled $102.6 million at June 30, 2010

Toronto and Johannesburg – August __, 2010 – First Uranium Corporation (TSX:FIU, JSE:FUM) ("First Uranium" or "the Company") today announced it's financial results for the three months ended June 30, 2010 ("Q1 2011").

Revenue generated by the Company's two operations in Q1 2011 totaled $39.7 million, up from $12.9 million during the three months ended June 30, 2009 ("Q1 2010"). The Mine Waste Solutions ("MWS") tailings operation accounted for revenue of $22.4 million, an increase of 131% from Q1 2010. The gain principally resulted from a 65% increase in gold production made possible by a second gold plant module being in operation. At the Ezulwini underground mine, revenue increased by 435% to $17.3 million. This gain was driven by increased production, grades and improved efficiencies.

Table 1 summarizes financial results of Q1 2011. Data from Q1 2010 has been included for comparison.

Table 1 - Consolidated Financial Results

Operational Summary	Q1 2011	Q1 2010	%Change
MWS			
Average gold selling price per ounce	**$1,064**	$905	18%
Average cash cost per ounce of gold sold [(a)]	**(449)**	(338)	(33%)
Average cost per ounce sold	**(515)**	(367)	(40%)
Ezulwini Mine			
Average gold selling price per ounce	**1,197**	957	25%
Average cash cost per ounce of gold sold [(a)]	**(1,430)**	(3,545)	60%
Average cost per ounce of gold sold	**(1,545)**	(3,818)	60%
Average uranium selling price per pound	**41**	**–**	n/a
Financial Summary			
Revenue	**39,661**	12,895	208%
MWS	**22,357**	9,662	131%
Ezulwini Mine	**17,304**	3,233	435%
Cost of sales (excluding amortization)	**(29,946)**	(15,584)	92%
MWS	**(9,434)**	(3,610)	(161%)
Ezulwini Mine	**(20,512)**	(11,974)	(71%)
Amortization	**(2,962)**	(1,236)	(140%)
MWS	**(1,391)**	(312)	(346%)
Ezulwini Mine	**(1,571)**	(924)	(70%)
Gross profit (loss)	**6,753**	(3,925)	272%
MWS	**11,532**	5,740	101%
Ezulwini Mine	**(4,779)**	(9,665)	51%
Other income	**776**	280	177%
Other expenditures[(b)]	**(10,351)**	(6,799)	(52%)
Operating loss[(c)]	**(2,822)**	(10,444)	73%
Investment income	**203**	706	(71%)
Foreign exchange gain (loss)	**3,891**	(16,408)	124%
Accretion expense on asset retirement obligations	**(388)**	(492)	21%
Fair value loss on derivative liabilities	**(4,022)**	(477)	(742%)
Interest and accretion expenses	**(8,605)**	(3,558)	(142%)
Loss before income taxes	**(11,743)**	(30,673)	62%
Income tax charge	**(282)**	(2,591)	89%
Loss for the period	**(12,025)**	(33,264)	64%
Other comprehensive loss	**(32)**	**–**	n/a
Comprehensive loss for the period	**(12,057)**	(33,264)	64%
Loss per common share	**$(0.07)**	$(0.22)	68%

Notes:

(a) Total cash costs per ounce is a **non-GAAP measurement** and investors are cautioned not to place undue reliance on it and are advised to read all GAAP accounting disclosures presented in the Financial Statements.

(b) Other expenditures include general, consulting and administrative expenditures, pumping feasibility and rehabilitation costs, stock-based compensation and non-production related amortization. See page 3 to the Financial Statements for detail.

(c) This is a **non-GAAP measurement**. Operating loss is loss before interest income, interest and accretion expenses, fair value gain or loss on derivative liability, foreign exchange gain or loss on translation and income tax charges. See page 3 to the Financial Statements for more detail.

First Uranium's gross profit from operations totaled $6.8 million, a substantial improvement over the loss of $3.9 million in Q1 2010. The turnaround was primarily attributable to additional profits generated from the second gold module at MWS, together with reduced losses at Ezulwini resulting from improved gold production during the ramp-up phase.

The Comprehensive loss for Q1 2011 was $12.1 million (7 cents/share), compared to a loss of $33.3 million (22 cents per share) in Q1 2010.

First Uranium ended the quarter with cash and cash equivalents totaling $102.6 million, up from $10.2 million at March 31, 2010. The increase resulted from the Company's recapitalization initiative, concluded during Q1 2011. The initiative saw a total of $141.5 million of cash raised (net of transaction costs) through an offering of secured convertible notes due March 31, 2013. Debt at June 30, 2010 totaled $308.7 million, up from $169.5 million at March 31, 2010.

In addition to the Cdn$150 million Notes issued, the Company settled its $22.6 million outstanding facility with Simmer & Jack (including accrued and unpaid interest) with the issue of 167,812 Rand Notes to Simmer & Jack and also settled the completion penalty obligation to GW pursuant to the MWS Gold Stream Transaction with the issuance of 14 million common shares in First Uranium valued at $18.2 million to GW and a commitment by the Corporation to complete construction of the third gold plant module at MWS and satisfaction of the technical completion tests prior to September 1, 2011.

Correction

Subsequent to the news release of First Uranium's Q1 2011 production dated July 29, 2010, an error was found in the indicative Net Present Value (NPV) reported in Table 3 of the release. The error was in the calculation of the updated NPV for the indicative Ezulwini LOM at both sets of commodity prices. The NPV using a discount rate of 8% for the Ezulwini LOM under the column titled "March 2010" was correctly stated at $437 million. The updated NPV for the indicative Ezulwini LOM plan under the column titled "July 2010 at March 2010 consensus commodity prices" should have been $331million, and in the last column the NPV should have been $586 million using the latest consensus commodity prices. This error did not have an impact on any other information provided in the news release or updated LOM. We apologize for any inconvenience, and an amended spread sheet is available on our website.

Outlook

First Uranium's new management and board of directors, which were appointed in April, 2010, are implementing a low-cost growth strategy that seeks to profitably expand output at both the Company's operations. The strategy was approved

following the completion of a wide-ranging initiative aimed at optimization of costs across the Company. This new strategy is focused on preserving First Uranium's cash reserves, while enabling the Company to execute on its capital program and achieve business milestones.

At MWS, management anticipates that remaining capital program, comprising the third gold plant module and new tailings storage facility plus adjoining infrastructure, will be concluded by May 2011. Certain construction contracts have been restructured to fixed price contracts with fixed timelines to manage project costs and schedules.

"The aim of our growth plan at MWS is to continue profitable growth while reducing peak funding requirements, and to meet the GW completion tests without compromising project sustainability or efficiency," said Deon van der Mescht, President and CEO.

First Uranium has also completed a new ramp-up plan for the Ezulwini Mine. The program calls for incremental production build-up of approximately 320 ounces (10 kilograms) of gold per month until the end of FY 2013, requiring development of an additional three panels available for production per month to be added to production.

On the basis of the plan for year one (FY 2011), management expects Ezulwini to be cash flow positive after the completion of capital expenditures in Q4 2011 at current economic assumptions.

"While our plan for Ezulwini is ambitious and challenging," said Mr. van der Mescht. "we believe it's also realistic and achievable, and it's a top priority for the Company."

He added that current operations and capital programme are expected to be funded with a combination of operating cash flow and cash reserves.

Technical Disclosure

All technical disclosure in this news release relating to the Ezulwini Mine has been prepared in accordance with National Instrument 43-101 by or under the supervision of Mark Glasspool, an employee of the Company who is a professional engineer and is a "qualified person" under NI 43-101.

All technical disclosure in this news release relating to MWS has been prepared in accordance with National Instrument 43-101 by or under the supervision of Jim Fisher, an employee of the Company, who is a Chartered Engineer and is a "qualified person" under NI 43-101.

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 located in South Africa.

Contact Information

Jim Fisher
Executive Vice President, Corporate Development
1-416-342-5636
1240-155 University Avenue
Toronto, Ontario, Canada
M5H 3B7
jim@firsturanium.ca

Cautionary Language Regarding Forward-Looking Information

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 including, without limitation, statements regarding the timing and amount of estimated future production, processing and development plans and future plans and objectives of First Uranium are forward-looking statements (or forward-looking information) that involve various estimates, assumptions, risks and uncertainties. For more details on these estimates, assumptions, risks and uncertainties, see the Company's most recent Annual Information Form 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.

www. firsturanium.com