First Uranium Corporation

NEWS RELEASE – March 31, 2011

BUSINESS MILESTONES UPDATE AND Q4 2011 PRODUCTION RESULTS FOR THE THREE MONTHS ENDED MARCH 31, 2011

All amounts are in US dollars unless otherwise noted.

Toronto and Johannesburg – ***First Uranium Corporation (TSX:FIU), (JSE:FUM) (ISIN:CA33744R1029) ("First Uranium" or "the Company") today released an update on the shaft moiling program and the re-commissioning of the uranium plant at the Ezulwini Mine, as well as a progress report on the Phase 2 expansion project at Mine Waste Solutions (MWS). In addition, the Company has provided production results for the quarter ended March 31, 2011 ("Q4 2011").***

First Uranium President and CEO, Deon van der Mescht, commented, "This is the first opportunity I have had to report to shareholders since the decimation of uranium-related stock price globally following the tragic events in Japan. While First Uranium derives most of its near-term revenue from gold and fared better than most, we certainly did not escape the value erosion that occurred. Nevertheless, we have made good progress at the various projects: the Ezulwini Mine's uranium plant is in the final stages of its re-commissioning, which will enable us to return to uranium production.

"The Ezulwini shaft maintenance program has progressed well and is currently ahead of schedule. The capital projects at MWS have advanced well over the last eight months to the extent that the commissioning of the Phase 2 expansion program has commenced one month ahead of schedule. The Phase 2 reclamation station has delivered ore into the third gold plant module, water commissioning of the tailings delivery pipelines from the plant to the new tailings storage facility ("TSF") is currently underway with deposition onto the TSF anticipated shortly".

EZULWINI MINE

First Uranium has commenced the re-commissioning of the Ezulwini Mine's uranium plant on schedule following the modification program on the Ion Exchange ("IX") columns. During the period of refurbishment, the Company has upgraded and modified

elements of the plant design, aimed at improving performance to achieve better recovery rates. Uranium production is now on-track to re-commence in April 2011.

Gold production for Q4 2011 was constrained by the impact of the shaft maintenance program, as announced in our news release on January 27, 2011 as well as the previously announced fatal accident on March 12, 2011.

In January 2011, it was announced that Ezulwini shaft's hoisting capacity was restricted due to lateral pressures being placed onto the shaft sidewall, creating pinch points along the hanging tower structure. The Company immediately implemented a program to moil (clear) the pinch points. This work resulted in the hoisting capacity of the mine being temporarily constrained. The shaft moiling, together with improvements to hoisting procedures, is restoring hoisting efficiencies.

Mr van der Mescht added, "Before the end of April 2011, we expect the shaft to return to planned hoisting rates, achieving speeds of seven meters per second, compared to the current four meters per second, thus enabling higher run-of-mine tonnes to be moved from underground to the mine's gold and uranium plants as well as de-constraining the material handling capacity of the shaft".

Production was further constrained following the fall-of-ground accident that occurred in this area on March 12, 2011 and that sadly caused the death of an underground miner. Pursuant to section 54 of the Mine Health and Safety Act (South Africa) and as ordered by the Department of Mineral Resources (DMR) all mining operations were suspended for 4 days. Normal operations resumed during the night shift on Thursday, March 17, 2011 (see news release dated March 18, 2011). Production from the Room and Pillar section, in which the fatality occurred was suspended for 7 days. The Room and Pillar section accounts for greater than 30% of Ezulwini's total production.

These factors, combined with a one-day illegal work stoppage, resulted in the Ezulwini Mine achieving considerably less than the planned production for the quarter. A projected total of 11,644 ounces were sold for Q4 2011, compared to 19,477 ounces of gold sold for the three months ended December 31, 2010.

Said Mr van der Mescht, "We are seeing a progressive improvement in production fundamentals with underground mining development metres advanced returning to planned levels. We expect that this will provide momentum to overcome the slow ramp up and achieve targets set for the next quarter".

MINE WASTE SOLUTIONS

MWS continues to carry out its expansion plan, exceeding guidance for the fourth successive quarter. In March 2011, MWS achieved a major milestone with the commissioning of the Phase 2 Expansion Program, which commenced one month ahead of schedule. This is the final phase of the capital expansion program that includes the

Phase 2 reclamation station, the third gold plant module and the TSF, as well as all adjoining infrastructure.

Said Mr van der Mescht, "The fact that we have been able to commission one month ahead of schedule, places MWS in a very solid position to continue to ramp-up production and lower its costs. In addition, this earlier than planned commissioning facilitates the early commencement of the various elements of the Gold Wheaton Completion Test, which is expected to be successfully achieved by September 2011."

MWS had another good operating quarter: in Q4 2011, the operation is projected to sell 22,200 ounces, compared to 21,040 ounces of gold that was sold during Q3 2011.

MWS WATER LICENCE

MWS's Integrated Water Use Licence ("Water Use Licence") was issued in June 2010 by the South African Department of Water Affairs ("DWA") for the water uses associated with the development of its new tailings facility, or TSF. An appeal was filed by the Federation for a Sustainable Environment ("FSE") with the South African Water Tribunal against MWS's Water Use Licence. The South African National Water Act allows appeals against the grant of a Water Use Licence provided the appellant has fulfilled certain conditions: notably lodging a valid objection within a specific period of time.

After consulting with external legal counsel, the Company is of the view that the appeal is not legally valid and therefore does not suspend the duly granted, existing Water Use Licence.

Mr van der Mescht commented, "Additionally, we have continued to try to engage with the FSE to explain the project's strong environmental credentials".

The TSF makes it possible, over the life of the MWS project, to remove 15 old tailings dams in the Stilfontein area that are currently a major source of air and water pollution. The retreatment of these historical dumps will reduce the salt load on the Vaal River by up to 50% compared to current levels. Gold and uranium content will be reduced by more than 50% and 25%, respectively. Removal of these metals and other sources of pollution will improve the quality of the groundwater, while rehabilitation of the associated footprint areas will realize land that can be utilized for alternative sustainable development initiatives such as housing, industrial development and grazing.

Q4 2011: PRODUCTION RESULTS

The following table summarizes the production from each operation during Q4 2011. Production from the previous three quarters has been included for comparison purposes.

	FY2011*	Q4 2011*	Q3 2011	Q2 2011	Q1 2011	FY2010
MWS						
Tonnes of ore reclaimed (000s)	**13,402**	**3,606**	**3,521**	3,170	3,105	11,071
Average gold head grade (g/t)	**0.35**	**0.34**	**0.34**	0.35	0.36	0.38
Gold plant recovery (%)	**55%**	**56%**	**55%**	52%	56%	51%
Gold sold (oz)	**82,991**	**22,200**	**21,040**	18,743	21,008	62,019
Ezulwini Mine						
Tonnes of ore milled	**599,393**	**157,410**	**162,166**	146,854	132,963	425,102
Average gold recovery grade (g/t)	**3.1**	**2.6****	**3.3**	3.1	3.3	2.3
Gold sold (oz)	**59,940**	**11,644**	**19,477**	15,066	13,753	29,638
Uranium produced (lbs)	**31,408**	**-**	**-**	31,408	-	44,399

Note: * Projected production for Q4FY11 and hence FY2011

** The recovered grade was negatively impacted by the re-filling of the gold plant work in progress inventory at the beginning of Q4 2011, following on from the emptying of the gold leach tanks for maintenance during December 2010 as previously reported. In addition, the extended stoppage of the high grade Room and Pillar section, subsequent to the fatality contributed to lower recovery grades. Despite the drop in recovered grade for the quarter, face grades have been consistent with resource and planned face grades.

About First Uranium Corporation

First Uranium Corporation (TSX:FIU, JSE:FUM) is focused on its goal of becoming a 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 (MWS) 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 and elsewhere.

For further information, please contact:
Julian Gwillim, julian@aprio.co.za
Gail Strauss, gailstrauss@mweb.co.za

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 are forward-looking statements (or forward-looking information). The Company's plans involve various estimates and assumptions and its business and operations are subject to various risks and uncertainties, including without limitation, the outcome of the appeal of the Water Use License by FSE. 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.

www.firsturanium.com