First Uranium Corporation

First Uranium Corporation

NEWS RELEASE – September 16, 2011

FIRST URANIUM SUBSIDIARY ADVISES OF PURPORTED WITHDRAWAL OF MWS MINING RIGHT

Toronto and Johannesburg – First Uranium Corporation (TSX:FIU), (JSE:FUM) (ISIN:CA33744R1029) ("First Uranium" or "the Company") today announced that it has received a letter from the South African Minister of Mineral Resources purporting to "withdraw" the new order mining right to Mine Waste Solutions ("MWS"), in terms of Section 23 of the Mineral and Petroleum Resources Development Act 28 of 2002 ("the MPRDA").

We have been consistently advised by our South African Counsel and maintain the opinion that under current South African mining legislation, reclamation activities such as MWS are not classified as a mining project and therefore do not require a mining right.

The MPRDA does not make provision for the "withdrawal" of a mining right. The MPRDA does make provision for the authorities to take other actions in relation to mining rights provided due process is followed. This includes the serving of notice of the intended action and provides for an opportunity for the recipient to respond, none of which took place in this instance.

The notice received is fatally defective and correspondence to this effect has been sent to the Minister. The Minister has therefore been requested to withdraw the letter.

The Company awaits the Minister's response. Depending on the Minister's response, shareholders are advised that legal action may be required in order to protect MWS' rights.

ends

About First Uranium Corporation

First Uranium Corporation (TSX:FIU, JSE:FUM) is focused on the development and operation of gold and uranium projects in South Africa. The Company's goal is to become a significant low-cost producer of gold and uranium from its Ezulwini underground mine (the "Ezulwini Mine") and the Mine Waste Solutions tailings recovery facility ("MWS"). To expand it production profile, First Uranium has expanded the capacity of MWS and it is ramping up production at the Ezulwini Mine and plans to pursue other value-enhancing opportunities in South Africa.

For further information, please contact:

John W.W. Hick
Chairman of the Special Committee
Tel: +1 416 306 3072

Scot Sobey
Executive Vice President
Tel: +27 11 278 7001

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. 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