**First Uranium Corporation**

## NEWS RELEASE – November 12, 2007

# FIRST URANIUM REPORTS RESULTS FOR THE THREE AND SIX MONTHS ENDED SEPTEMBER 30, 2007

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 Corporation") today announced that it recorded net income of $3.1 million for the three months ended September 30, 2007 ("Q2 2008") compared to net income of $0.8 million for the three months ended September 30, 2006 ("Q2 2007"), primarily as a result of foreign exchange translation gains and interest income offset by operating losses incurred in the quarter under review.

Net income for the first half of the Corporation's fiscal year ending March 31, 2008 ("FY 2008") was $8.5 million compared to a net loss for the prior fiscal year ("FY 2007") of $1.5 million, which primarily reflected expenditures in connection with preparing its two uranium and gold projects for production.

**Highlights**

During Q2 2008, First Uranium:

- benefited from the first full quarter of its 100% of ownership of the assets of Mine Waste Solutions (Proprietary) Limited ("MWS"), which were acquired effective June 6, 2007, and that now form part of the Buffelsfontein Tailings Recovery Project
- processed 1.2 million tonnes of tailings through its MWS gold plant, producing 10,124 ounces of gold at a total cost of $527 per ounce
- began hoisting development material at its Ezulwini Mine, in September as scheduled, with a total of 9,940 tonnes hoisted by the end of the quarter
- defined initial underground and surface drilling targets related to the possible expansion of the existing Ezulwini underground uranium and gold mine
- approved an $11.7 million capital program to construct a reclamation station and pipelines at the Buffelsfontein Tailings Recovery Project and increase the planned processing rate from 500,000 tonnes per month to 630,000 tonnes per month
- entered into an agreement with Nuclear Fuels Corporation of South Africa (Proprietary) Limited ("Nufcor") to calcine the yellowcake from First Uranium to produce uranium oxide for dispatch to converters as of January 2009

Subsequent to the end of Q2 2008, First Uranium:

- completed an interim off-take agreement with Nufcor pursuant to which Nufcor will purchase yellowcake from First Uranium from June 2008 until January 2009 at rates based on the then prevailing spot prices
- pending completion of the Ezulwini Mine gold plant (expected in April 2008), commenced third-party toll-milling of the hoisted development material and gold ore from the Ezulwini Mine
- was granted a conditional prospecting right over an area of 6,843 hectares of property known to contain gold and uranium minerals adjacent to the Corporation's Ezulwini mining rights, which are comprised of 3,717 hectares

During Q3 2008, First Uranium plans to:

- hoist 30,000 tonnes of gold and uranium bearing ore at the Ezulwini Mine
- toll treat the 30,000 tonnes of ore at a yield of approximately 5.5 to 6.0 grams of gold per tonne, producing in excess of 5,500 ounces of gold
- process approximately 1.4 million tonnes of tailings through its MWS gold plant, with expected production in excess of 9,600 ounces of gold
- complete the hydraulic mining and clean up of the remnant of MWS No. 2 tailings dam
- complete the construction of the pipeline to the MWS gold plant in November, whereafter hydraulic mining of the mineral resources in the Buffelsfontein tailings dams will commence
- commence the MWS gold plant upgrade to increase planned capacity from 500,000 tonnes per month to 630,000 tonnes per month with completion scheduled in Q4 2008.
- complete a feasibility study for the further expansion of the MWS gold plant, which is targeted for completion in November 2008. The expansion will involve the construction of two additional gold plant modules and three uranium plant modules

"Gold is now being produced at both of First Uranium's properties: at the MWS plant at our Buffelsfontein Tailings Recovery Project and in a toll milling arrangement for the ore being hoisted at our Ezulwini Mine," said Gordon Miller, President and Chief Executive Officer of First Uranium. "With the spot price for gold currently over $800 per ounce, that production is expected to make a solid contribution to our cash flow."

"Our focus remains on advancing uranium and gold production at both of our projects," continued Mr. Miller. "Construction is well underway and we are on schedule to commission our own gold plant at the Ezulwini Mine in April 2008 and the uranium plant in June 2008. At the Buffelsfontein Tailings Recovery Project we expect to begin construction this month to both double our gold plant capacity and commission the first two modules of our uranium plant by November 2008."

The spot price for uranium rose to $136 per pound at the end of June, softened to $75 per pound and has recently risen to $90 per pound. Management believes that the $50 per pound assumption upon which the project economics were based remains reasonable and conservative. The Corporation has not yet signed any contracts that have defined commitments to supply uranium.

Mr. Miller added, “With rising prices for uranium and gold, and the net proceeds from our equity and debenture offerings, we are confident that we are fully-funded to develop our existing mining projects as currently planned and advance them to full production by 2010.”

## Financial Highlights

| *(thousands of dollars)* | **Q2 2008** | **Q2 2007** | **2008 YTD** | **2007 YTD** |
|---|---|---|---|---|
| Revenue | **6,253** | - | **8,436** | - |
| Operating income (loss) | **(2,166)** | 258 | **(5,354)** | (2,651) |
| Non-operating income and expenses | **5,268** | 528 | **13,927** | 1,199 |
| Net income (loss) for the period | **3,051** | 786 | **8,522** | (1,452) |
| Cash and cash equivalents at end of period | **254,332** | 1,158 | **254,332** | 1,158 |

### Revenue

First Uranium generated revenue during Q2 2008 and the first half of FY 2008 solely from the processing of MWS tailings material and sale of gold from the MWS gold plant.

### Operating income (loss)

Operating income (loss) includes the following:

- cost of sales for the gold production in the first half of FY 2008 reflects significantly higher unit costs than the long-term expectation of costs for this operation as the acquired tailings dams are nearing the end of their productive life and the hydraulic mining operation was subject to additional costs for mechanical loading and placement of tailings material
- employee compensation costs, consulting and professional fees, as well as shared services fees paid to the Corporation’s majority shareholder, Simmer & Jack
- higher general, consulting and administrative expenses were primarily from an increase in services required to support the development of the projects, the costs of corporate offices in Johannesburg and Toronto and other expenses of operating a public company, which were not applicable in FY 2007
- stock-based compensation related to the amortized cost of stock options granted to directors, officers, employees and consultants
- pumping and feasibility costs in connection with the maintenance, assessment commencement and re-commissioning of the Ezulwini Mine

**Non-operating income and expenses**

Non-operating income and expenses for the periods reported included:

- interest income that was primarily earned on the net proceeds raised from First Uranium's offerings of equity issued in December 2006 and senior unsecured convertible debentures issued in May, 2007
- interest expense paid and accrued on the debentures and accretion expense related to the debentures
- foreign exchange translation gains that reflect that the Corporation holds the majority of its net assets in Canadian dollars and in South African rand, which have both strengthened against the Corporation's reporting currency of US dollars

**Cash and Capital Expenditures**

Cash and cash equivalents at the end of the first half of 2008 increased by $115.4 million to $254.3 million from the end of FY 2007, primarily as a result of the $130.6 million net proceeds raised through the issuance of debentures, cash from operating activities and translation gains on cash held in currencies other than US dollars offset by capital expenditures of $35.5 million at the Ezulwini Mine.

Capital investments of $148 million and $271 million are planned to complete the construction of the Buffelsfontein Tailings Recovery Project and the Ezulwini Mine, for which $34.8 million of current commitments exist. Capital investments for property plant and equipment in were $31.1 million in Q2 2008, $10.5 million in Q1 2008 and $20.8 million in FY 2007, totaling $62.4 million invested to date.

First Uranium anticipates that future capital requirements relating to its development of the Ezulwini Mine and the Buffelsfontein Tailings Recovery Project will be funded through a combination of current cash and cash equivalents and internal cash flow.

The Corporation holds its funds in cash and bank-sponsored guaranteed investment certificates. It has no exposure to asset-backed commercial paper.

**Production Overview**

During the last week of September 2007, 9,940 tonnes of reef development ore was hoisted to surface, which will be stockpiled for use as the initial feed for the new mill and gold plant that are scheduled to be commissioned in April 2008.

Subsequent to the end of Q2 2008, in October the Ezulwini Mine began to toll treat higher grade gold bearing ore at a neighbouring gold plant, which will continue until the new gold plant is commissioned.

At the Ezulwini Mine the gold plant currently under construction is expected to be commissioned in April 2008 and the uranium plant is expected to be commissioned in June 2008. Annual average production at the Ezulwini Mine is expected to be 888,000 pounds of uranium and 290,000 ounces of gold over the estimated 18-year life of the project.

The Corporation's Buffelsfontein Tailings Recovery Project began producing gold from June 6, 2007 as a result of the acquisition of MWS. A total of 1.6 million tonnes of tailings material was processed in the first half of 2008, resulting in gold sales of 13,544 ounces at an average cash cost of $497 per ounce. The average sale price for gold during the first half of FY 2008 was $623 per ounce.

The average total cost per ounce during the first half of 2008 was $561 per ounce, significantly higher than the Corporation's long-term outlook for cash costs at this operation, as the acquired MWS tailings are nearing the end of their productive life. Cleaning up the remaining tailings from MWS tailings dam No. 2, which requires mechanical loading and placement near the hydraulic mining operation, reduces tonnages and increases handling costs relative to a normal reclamation operation. More efficient hydraulic reclamation operations at Buffelsfontein dam No. 2 are expected to commence during November 2007.

The Corporation is in the process of expanding the existing MWS plant to increase the plant capacity from the planned rate of 500,000 tonnes per month to 630,000 tonnes per month. The expansion project is planned for completion by the end of March 2008. Uranium production at the Buffelsfontein Tailings Recovery Project is expected to commence in November 2008 to achieve an average annual production of 922,000 pounds of uranium along with 128,000 ounces of gold over the 16-year life of the project.

## Technical Disclosure

Technical disclosure under the heading "Production Overview" in this news release relating to the Ezulwini Mine is extracted from a technical report entitled "Technical Report - Preliminary Assessment of the Ezulwini Project, Gauteng Province, Republic of South Africa" originally submitted on November 8, 2006 and December 5, 2006 and revised on May 9, 2007, prepared in accordance with NI 43-101 by Wayne Valliant, P.Geo. and R. Dennis Bergen, P.Eng. of Scott Wilson Roscoe Postle Associates Inc. ("Scott Wilson RPA"). Technical disclosure under the same heading relating to the Buffelsfontein Tailings Recovery Project is extracted from a technical report entitled "Technical Report - Preliminary Assessment of the Buffelsfontein Project, Northwest Province, Republic of South Africa" originally submitted on November 8, 2006, revised on December 5, 2006 and January 31, 2007 and further revised on May 22, 2007, prepared in accordance with National Instrument 43-101 ("NI 43-101") by R. Dennis Bergen, P.Eng. and Wayne Valliant, P.Geo. of Scott Wilson RPA. Each of Mr. Valliant and Mr. Bergen is a "qualified person" under NI 43-101 and is independent of First Uranium. The technical disclosure contained in this news release has been reviewed and approved by Messrs. Bergen and Valliant.

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## Cautionary Language Regarding Forward-Looking Information

This news release contains certain forward-looking statements. Forward-looking statements include but are not limited to those with respect to the price of uranium and gold, the estimation of mineral resources and reserves, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of development of new deposits, success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage and the timing and possible outcome of pending litigation. In certain cases, forward-looking statements can be identified by the use of words such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “does not anticipate”, or “believes” or variations of such words and phrases, or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of First Uranium to be materially different from any future results, performance or achievement expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others, the actual results of current exploration activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, possible variations in grade and ore densities or recovery rates, failure of plant, equipment or processes to operate as anticipated, accidents, labour disputes or other risks of the mining industry, delays in obtaining government approvals or financing or in completion of development or construction activities, risks relating to the integration of acquisitions, to international operations, to prices of uranium and gold. Although First Uranium has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. It is important to note, that: (i) unless otherwise indicated, forward-looking statements indicate the Corporation’s expectations as at November 9, 2007; (ii) actual results may differ materially from the Corporation’s expectations if known and unknown risks or uncertainties affect its business, or if estimates or assumptions prove inaccurate; (iii) the Corporation cannot guarantee that any forward-looking statement will materialize and, accordingly, readers are cautioned not to place undue reliance on these forward-looking statements; and (iv) the Corporation disclaims any intention and assumes no obligation to update or revise any forward-looking statement even if new information becomes available, as a result of future events or for any other reason.

In making the forward-looking statements in this news release, First Uranium has made several material assumptions, including but not limited to, the assumption that: (i) approvals to transfer or grant, as the case may be, mining rights will be obtained; (ii) metal prices, exchange rates and discount rates applied in the preliminary economic assessments are achieved; (iii) mineral resource estimates are accurate; (iv) the technology used to develop and operate its two projects has, for the most part, been proven and will work effectively; (v) that labour and materials will be sufficiently plentiful as to not impede the projects or add significantly to the estimated cash costs of operations; (vi) that outstanding approvals for the completion of an acquisition, the transfer of mining rights and the approval of mining rights will be granted; (vii) that Black Economic Empowerment (“BEE”) investors will maintain their interest in the Corporation and their investment in the Corporation’s common shares to a sufficient level to continue to support the Corporation’s compliance with 2014 BEE requirements; and (viii) that the innovative work on stabilizing the main shaft at the Ezulwini Mine will be successful in maintaining a safe and uninterrupted working environment until 2024.

**Conference Call**

First Uranium will conduct a conference call with investors to discuss the Corporation's first quarter results and related matters at 10:00 a.m. local Toronto time or 5:00 p.m. local Johannesburg time on Tuesday, November 13, 2007. The conference call will be available simultaneously to all interested investors and the news media at (416) 644-3430 or 1 (800) 588-4942 (toll free) or 09 800 2288 3501 (toll free from South Africa) or through a webcast at http://www.newswire.ca/en/webcast/viewEvent.cgi?eventID=2089340. A replay of the conference call will be available on this site until the end of November.

**About First Uranium Corporation**

First Uranium Corporation is focused on the development of South African uranium and gold mines with the goal of becoming a significant producer through the re-opening and development of the Ezulwini Mine, and the construction of the Buffelsfontein tailings recovery facility. First Uranium also plans to grow production by pursuing acquisition and joint venture opportunities.

**First Uranium Corporation**
**1240-155 University Avenue, Toronto, ON Canada M5H 3B7**
**www.firsturanium.com**

**For further information, please contact:**
**Bob Tait, VP Investor Relations at 416 342-5639 or bob@firsturanium.com**