

ORE PURCHASE AGREEMENT

THIS AGREEMENT is made and entered into as of the ___ day of _____, by and between Denison White Mesa, LLC, a Colorado limited liability company with offices at Denver, Colorado, hereinafter called "Company" and _____, hereinafter called "Seller". The Seller's Federal Tax Identification number is _____.

WHEREAS Seller owns or leases certain properties (the "Properties") and desires to sell to Company uranium or uranium and vanadium bearing ore (collectively the "Ore") mined from the Properties; and

WHEREAS Company desires to purchase such Ore on the terms and conditions set out below.

NOW, THEREFORE, in consideration of the covenants and agreements hereinafter contained, Company and Seller do hereby agree as follows:

1. SALE

Seller agrees to sell and Company agrees to purchase Ore on the terms and conditions herein set forth.

2. PRODUCTS SOLD AND PURCHASED

The Ore to be sold and purchased pursuant to this Agreement shall be produced by Seller from those certain Properties described in Schedule "A" hereto. The quantity of Ore to be sold shall be the total quantity of Ore shipped by Seller to Company's White Mesa Mill (the "Mill") during the term of this Agreement set forth in Section 8(a).

3. QUALITY OF ORE

- (a) Company shall not be obligated to purchase any Ore Lot (defined below) not having an average grade of uranium or vanadium equal to or greater than the minimum grades specified in Schedule "B" hereto. Company shall not be obligated to accept and Seller shall not deliver to the Company any material of whatever nature which is not Ore and which does not conform to the requirements specified in paragraph 3 (b), below.
- (b) Seller will not knowingly deliver (and will be subject to the payment reductions set out below if it should deliver) any Ore:
 - i. which has a moisture content in excess of 12.0%. The moisture content of the Ore received at the White Mesa Mill (the "Mill") shall be determined from a grab sample taken from each truck load arriving at the Mill. The percent moisture from each truck load will be determined by laboratory analysis in accordance with standard practice in the uranium/vanadium

milling industry. The percent moisture determined will be deducted from the gross weight of each truck load to determine the final tons of Ore received;

- ii. which contains steel, blasting caps, cans, timber, cloth or other foreign substances (hereinafter called "non-ore material") in excess of an aggregate of 0.5% of the dry weight of the Ore;
 - iii. which contains a material quantity of lumps larger than 12" in diameter; or
 - iv. which contains other non-ore material, including but not limited to, hazardous wastes as defined pursuant to the Resource Conservation and Recovery Act, as amended; hazardous substances as defined pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended; extremely hazardous substances as defined pursuant to the Emergency Planning and Community Right to Know Act, as amended; polychlorinated biphenyls (PCBs); or asbestos containing material.
- (c) If the moisture content of an Ore Lot exceeds 12.0%, Company may deduct from the amount otherwise payable to Seller under Section 6 hereof an amount to cover the additional cost of handling, which surcharge shall not exceed four dollars (\$4.00) per ton.
- (d) If the non-ore material in an Ore Lot exceed 0.5%, Company may deduct from the amount otherwise payable to seller under Section 6 hereof an amount determined by Company, which amount shall not exceed four dollars (\$4.00) per ton of Ore.
- (e) If any Ore Lot contains a material quantity of lumps larger than 12" in diameter, Company shall first afford Seller a reasonable opportunity to reduce the size of such lumps. In the event such lumps are not reduced by Seller within a reasonable time, Company may deduct from the amount otherwise payable to Seller under Section 6 hereof an amount determined by Company, to cover the additional cost of reducing the size of such lumps, which amount shall not exceed twenty-four dollars (\$24.00) per ton of such lumped Ore.
- (f) If the Company determines the average calcium carbonate content of the Ore exceeds 6.0% CaCO₃, Company shall have the right to deduct from the purchase price payable to Seller a calcium carbonate penalty of \$2.00 per ton of such Ore for each 1% CaCO₃, or fractions in proportion thereof, by which the weighted average CaCO₃ content of such Ore exceeds 6.0% CaCO₃. For purpose of computing such calcium carbonate penalties, CaCO₃ assays shall be rounded up to the nearest one-tenth (1/10th) of one percent (0.1%).
- (g) If the Company determines the average molybdenum content of the Ore exceeds one-tenth (1/10th) of the average U₃O₈ content of the Ore, Company shall have

the right to deduct from the purchase price payable to Seller a molybdenum penalty of \$2.00 per ton of such Ore.

- (h) Company shall have the right to reject any Ore containing carbon, asphalt or any constituents other than those described above in this Section 3, which Company determines, in its sole discretion, could materially adversely impair its ability to process the Ore.
- (i) In lieu of assessing any penalty, Company shall have the right to reject Ore or non-ore material that violates the prohibitions contained in this Section 3 (in which case, such Ore or non-ore material delivered to the Mill shall be considered nonconforming Ore).
- (j) In the event Ore is discovered to be nonconforming, Company may revoke its acceptance of the Ore. The revocation of acceptance shall be effective immediately upon receipt of notice, verbal or written, to Seller.
- (k) In the event that nonconforming Ore or non-ore material is discovered, Company and Seller shall confer immediately to establish and implement, if necessary, procedures for removing, storing, sampling, analyzing, loading, transporting, and disposing of such Ores and/or materials.
- (l) Seller shall have seven (7) days to direct an alternative lawful manner of disposition of the non-conforming Ore or non-ore material, unless it is necessary by reason of law or Company's permit or operating procedure to move the nonconforming Ore or non-ore material in less than seven (7) days.
- (m) If Company does not receive direction from Seller within seven (7) days or such shorter time as may be required, then Company shall return the non-conforming Ore or non-ore material to Seller. Seller shall pay Company its expenses and charges for handling, loading, preparing, transporting, storing, and caring for nonconforming Ore or non-ore material, plus those charges which may be assessed pursuant to this Agreement.
- (n) Company and Seller shall continue to perform the Agreement with respect to other Ores that may be accepted at Company's Mill and that come within the scope of work under this Agreement.
- (o) If Ore is discovered to be nonconforming, or non-ore material is discovered, Company shall be responsible only for its employees', agents', subcontractors', or invitees' negligence with respect to such Ore or material. Seller shall defend, indemnify and hold harmless Company from and against all other claims, liability, loss or damage, including without limitation, any cost, expense or attorneys fees arising out of or relating to nonconforming Ore or non-ore material. The obligations of Seller in this regard shall apply notwithstanding the obligations of Company set forth elsewhere in this Agreement; and Company's obligations in this Agreement do not apply to the extent that the claims or demands arise out of nonconforming Ore or non-ore material supplied by Seller.

4. DELIVERY OF ORE TO MILL

- (a) All deliveries of Ore shall be made to the Mill between the hours of 8:00 a.m. and 4:00 p.m. on Business Days unless otherwise agreed between Company and Seller, at Seller's own cost and expense, by rear-dump or side dump truck no larger than fifty (50) ton, gross weight as determined from the certified truck scales at the Mill. The exact schedule of deliveries shall be arranged with the Company's Mill Manager, or designee, so that deliveries will be made at times convenient for the receipt thereof. Any Ore rejected by Company under this Agreement shall be deemed not to have been delivered for purpose of this Paragraph.

- (b) Seller shall arrange for the transportation of the Ore to the Mill through a qualified transportation subcontractor, and shall ensure that the transportation subcontractor shall comply with all applicable federal and state transportation regulations. Delivery to the Mill shall comply with all Mill receiving requirements. The transportation subcontractor shall maintain policies of insurance which name the Company, the owner of the Mill, and Denison Mines (USA) Corp., the operator of the Mill, as an additional insured, and which provide at least the following types of coverage in at least the following amounts:

<u>COVERAGE</u>	<u>LIMITS</u>
Worker's Compensation	Statutory
Employer's Liability	\$ 1,000,000 for each occurrence
General Liability	\$ 1,000,000 for each occurrence
Automotive Liability	\$ 1,000,000 for each occurrence and combined single limit of at least \$1,000,000
Umbrella Liability	\$ 1,000,000

In each case the insurance coverage shall provide a waiver of subrogation clause, unless prohibited by law. The automotive insurance shall also cover cargo, toxic and hazardous material cleanup. Prior to delivering any Ore to the Mill, and as a condition to doing so, Seller shall ensure that the transportation subcontractor furnish to Company duly executed certificates of insurance establishing that the required insurance coverage has been obtained and is being maintained in full force and effect.

- (c) Title to and all risk of loss of or damage to any Ore, all minerals contained therein and all tailings resulting therefrom shall pass to Company upon payment by Company to Seller of the Payment referred to in Paragraph 6.2 with respect to such Ore. Seller assumes the risk of storing Ore at Seller's Mill prior to passage of title under the preceding sentence.

5. SAMPLING AND ASSAYING

5.1 Sampling

- (a) Sampling and analysis of Ore shall be in accordance with standard practice in the uranium/vanadium industry in the United States, or other methods and standards as mutually agreed between Company and Seller. Company shall sample and analyze the Ore delivered by Seller to Company via probing and sampling as set forth in Paragraphs 5.1(b) and 5.1(c) below.
- (b) First, Company shall evaluate each Ore Lot delivered by Seller to Company at the Mill by random radiometric probing. Ore probing equipment used to evaluate Ore delivered by Seller will be calibrated to a radiometric “standard” source of known U_3O_8 content and such source will be positioned near the Mill Scale House for access and use by the Company and/or Seller. Company shall estimate the grade of U_3O_8 in each Ore Lot based on the arithmetic average of such radiometric probing in accordance with procedures previously established at the Mill. The grade for V_2O_5 will be estimated by considering historical uranium/vanadium ratios resulting from milling Ore specific to the property from which the Ore was mined and/or other methods so determined by the Company, such as arithmetic average of grab samples collected in accordance with procedures previously established at the Mill.
- (c) Second, Company shall collect a number of samples from each Ore Lot (which shall be taken in accordance with standard metallurgical practices as detailed in the standard procedures in effect at the Mill). A representative composite sample is then generated from the collected samples for each Ore Lot. Each such representative sample shall be prepared in accordance with the procedure set out in Paragraph 5.1 (d) hereof, and assayed in accordance with the procedures set out in Paragraph 5.2 hereof.
- (d) Each representative composite sample of Ore shall be submitted to the Mill laboratory and oven dried, pulverized and divided into four (4) representative samples. The representative samples shall be distributed as follows: two (2) to Seller or its representative; one (1) to be retained by Company; and (1) to be reserved by Company for a period not to exceed ninety (90) days for possible umpire analysis.
- (e) If the difference between the assay provided by probing and that obtained from the composite sample is equal to or less than 0.005% U_3O_8 or 0.050% V_2O_5 content, then the probe assay and composite sample assays are averaged to arrive at the final assays of U_3O_8 and V_2O_5 content.

- (f) If the difference between the assay provided by probing and that obtained from the composite sample is greater than 0.005% U_3O_8 or 0.050% V_2O_5 content, then the composite sample assay will be determined to be the final assay of U_3O_8 and V_2O_5 content.
- (g) The final assay of U_3O_8 and V_2O_5 content determined under Paragraphs 5.1(e) or 5.1(f) (or, if applicable, under Paragraph 5.2) shall be the basis for making the Payment to Seller referred to in Section 6.2 of this Agreement

5.2 Assaying

- (a) Company shall make, or cause to be made, and delivered to Seller an assay of each Ore Lot pulp derived from the sampling procedures set out in Paragraphs 5.1 (c) and (d) for percentage of U_3O_8 and V_2O_5 content, within thirty (30) days of the creation of the representative sample. If Seller elects to assay the representative sample in its possession, it shall notify Company of the results of such assay within fifteen (15) days after said representative sample and Company's assay are received by Seller.
- (b) If the difference between the assay provided by Company and that obtained from an analysis of Seller's representative sample is equal to or less than 0.005% U_3O_8 or 0.050% V_2O_5 content, then the Company's assay and Seller's assays are averaged to arrive at the final quantities of U_3O_8 and V_2O_5 content.
- (c) If the difference between the assay provided by Company and that obtained from an analysis of Seller's representative sample is greater than 0.005% U_3O_8 or 0.050% V_2O_5 content, the fourth representative sample held in reserve by Company shall be submitted to a laboratory selected in rotation from a list maintained by Company and agreed upon by Seller for umpire assay. Such assay shall be final if the percentage U_3O_8 or V_2O_5 content determined thereby falls between the assays of the two parties. If it does not fall between the assays of the two parties, the assay which is nearer to the umpire assay shall prevail. The party whose assay is further from that of the umpire shall pay the cost of the umpire assay. In the event the umpire assay is equally distant from the assay of each party, the cost of the umpire assay will be borne equally by the parties. The percentage of U_3O_8 or V_2O_5 content so determined shall, for all purposes of this Agreement, be the content of the Ore to which such determination relates.

6. PURCHASE

6.1 Ore Lot

Seller shall notify company as outlined in Paragraph 19, in writing, or verbally promptly followed in writing, at the time Seller decides to close, that is, set the size of each lot of Ore, hereafter referred to in this Agreement as an "Ore Lot". An Ore Lot must be a minimum of two hundred and fifty (250) tons and a maximum of five thousand (5,000) tons.

6.2 Amount of Payment

Subject to the provisions of this Agreement, Seller shall be paid, and Company hereby agrees to pay with respect to all Ore delivered to the Mill during the term hereof, the purchase price (the "Purchase Price") per ton of Ore as set out in and in accordance with the terms of Schedule "B" hereof, less any deductions pursuant to paragraph 3 (b) – (g) above, based on the grades of U_3O_8 and V_2O_5 for the entire Ore Lot resulting from the analysis set forth in Section 5.1 and 5.2 of this Agreement, multiplied by the number of tons of Ore in that Ore Lot..

6.3 Frequency and Time of Payments

Company shall pay Seller with respect to each Ore Lot within thirty (30) days after the Ore Lot is considered to be closed in accordance with Paragraph 6.1 hereof.

6.4 Transportation Allowance

Company will pay a Transportation Allowance to Seller, in addition to the Purchase Price described in Paragraph 6.2, based on the distance (road miles) to the White Mesa Mill from the Seller's Properties. The allowance will be paid on dry tons of ore delivered to the White Mesa Mill in accordance with the amounts as described in Schedule "C" hereof.

7. COMPLIANCE WITH LAWS

Seller shall comply with all laws, ordinances, governmental rules and regulations, whether federal, state or local, permits and licenses applicable to the mining, transportation and sale of the Ore hereunder.

8. TERM AND TERMINATION

- (a) This Agreement shall have a term of one year commencing on the date hereof.
- (b) Notwithstanding any provision to the contrary in this Agreement, in the event that either party shall fail to comply with the terms herein set forth, or any of them, the other party may notify such party of its default or failure, and if such party shall fail to correct said default or failure within five (5) days after service of such notice, the first party may then forthwith terminate this Agreement without further notice and without prejudice to any other right or remedy which the first party may have.
- (c) Notwithstanding any provision to the contrary in this Agreement, either party may terminate this Agreement if the other party becomes insolvent, fails to pay its debts as they become due, makes a general assignment to its creditors, files a petition or other action in bankruptcy or has a petition or other action filed against it seeking to declare it bankrupt, which has not been remedied or stayed within a

period of ten (10) Business Days, or goes into liquidation or has a receiver appointed.

- (d) Notwithstanding any provision to the contrary in this Agreement, in the event that the Utah Department of Environmental Quality, Division of Radiation Control should cancel Company's license to operate the Mill, or if any federal, state or local governmental agency, department or official thereof should require Company to cease operating the Mill, Company shall have the right, on ten (10) days written notice to Seller, to terminate this Agreement.

9. TAXES AND ROYALTIES

Seller shall be responsible for the payment of and shall pay all governmental taxes, excises and/or charges (except those based upon net income of Company), and royalties that may accrue, during the term hereof on account of this Agreement, or that may arise from the mining, severance from the ground, production, sale or transportation of any Ore delivered hereunder. Seller shall be responsible for any such taxes, excises, charges and royalties that Company may be required to pay, and Seller shall indemnify Company in full for any such taxes, excess charges or royalties that Company may be required to pay.

10. REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants that it holds the mining operating rights and working interest in and to the Properties and has the legal right to mine the Ore and to sell the Ore under the terms of this Agreement. Seller represents and warrants that it has good and sufficient title to all Ores currently stockpiled on the Properties and all Ores to be sold to Company under this Agreement. Seller further represents and warrants that it will have paid, satisfied and discharged, or arranged for the payment, satisfaction and discharge of all royalties on Ore production from the premises, and that all Ore delivered hereunder will be free from all liens, security interests, royalties, and encumbrances. To the extent Company is required to satisfy or discharge any royalty, lien or other encumbrance owed by Seller, Company may, in addition to any and all remedies available under law and equity, reimburse itself from payments due Seller hereunder. Seller further represents, warrants and certifies that all Ore sold by Seller to Company hereunder was or will be produced by conventional mining from the Properties on or after _____ and, upon request of Company, Seller shall provide a written certification to the Company.

11. COMPLIANCE WITH LAW

In relation to Ore production and all other operations of Seller on Seller's Properties, or elsewhere, Seller agrees to comply with all applicable laws, statues, rules and regulations of any duly constituted federal, state, and local authority. Seller specifically agrees to comply with the Fair Labor Standards Act and the Walsh-Healy Act.

12. CONFIDENTIALITY

Company and Seller shall keep this Agreement and the terms and conditions contained herein confidential and shall not disclose same to third parties without the other party's

prior written consent, unless such disclosure is required pursuant to applicable law or regulation, including tax and securities laws and regulations, or unless such disclosure is required in connection with any financing by either Company or Seller or their respective affiliates. Either party may make such disclosures as it deems appropriate to affiliates, employees and agents, provided that any such persons are advised of this confidentiality clause and agree to be bound by it.

13. NATURE OF RELATIONSHIP

The relationship between Seller and Company is that of vendor and purchaser. Seller shall act and represent itself as being completely independent from Company and not as a contractor, agent, employee partner or joint venture of or with Company or any of Company's affiliates.

14. SURVIVAL OF OBLIGATIONS

The obligations, representations and warranties of each party to the other, which are to be performed after termination, shall survive the termination of this Agreement regardless of the cause of termination, including without limitation, the obligations, representations and warranties contained in Sections 3, 6, 9, 10, 11, 12, 15, 16, and 20 of this agreement.

15. COMPLETE AGREEMENT AND AMENDMENT

This Agreement constitutes the full and complete understanding of the parties with respect to the subject matter hereof and supersedes any prior agreement, oral or written, relating thereto. This Agreement shall not be amended except in writing, signed by both parties, unless otherwise provided for within this Agreement. The parties hereto agree that any amendments that may be necessary to achieve or maintain compliance with any regulatory program that may apply to the subject of this Agreement shall be made as soon as practicable, provided, however, either party may elect to terminate this Agreement rather than agree to any amendment unless such amendment applies to Ore already processed at the Mill, in which case the necessary amendment shall be made.

16. HOLD HARMLESS

Seller agrees to indemnify, defend and hold Company harmless from and against any and all claims, demands or causes of action of any person, firm or corporation claiming any right, title or interest in or to Seller's Properties, the Ore or the proceeds of sale thereof.

In the event that any person, firm or corporation other than Seller shall make a claim or demand on Company for all or any part of the purchase price payable to Seller hereunder, Company shall have the right to retain all amounts which thereafter become due to Seller hereunder until Seller shall have furnished to Company a decree of a court of competent jurisdiction, or other evidence satisfactory to Company, establishing the right of Seller to receive payment of said amounts and determining that the third person firm or corporation making claim therefore is not entitled to receive any portion of the same.

17. COUNTERPARTS

This Agreement may be executed (in either original or facsimile form) in one or more counterparts, all of which taken together shall for all purposes constitute an Agreement, binding on the parties, and each party hereby covenants and agrees to execute all duplicates or replacement counterparts of this Agreement as may be required.

18. MISCELLANEOUS

(a) Notwithstanding any provision to the contrary in this Agreement, neither party shall be liable for any incidental, punitive, consequential or special damages covered by or resulting from any breach hereof by the other party. In this Agreement, the following terms shall have the following meanings:

i. "Business Day" shall mean a day other than a Saturday, Sunday or legal holiday in the state of Colorado; and

ii. "ton" shall mean a dry ton avoirdupois.

(b) Any paragraph, sentence or clause of this Agreement held to be unenforceable or void for any reason, is severable and shall not affect the remaining portions of this Agreement.

(c) The captions or headings found herein are solely for the convenience of the parties and are not a part of this Agreement.

(d) This Agreement shall be governed by and construed under the laws of the State of Colorado.

19. NOTICES

Except as expressly set out herein, all notices or instructions required to be given under the terms hereof shall be in writing and validly served, given or made if mailed by certified mail in any U.S. Post Office with postage prepaid, delivered by hand, courier or facsimile, and if intended for Seller, addressed to Seller at:

Name: _____

Address: _____

Phone: _____

Fax: _____

or, if intended for Company, addressed to Company at:

Denison White Mesa LLC
1050 17th Street, Suite 950
Denver, Colorado 80265

Phone: (303) 628-7798
Fax: (303) 389-4125

Each party may designate by notice in writing a new address and additional addresses to which such notice shall be mailed.

20. FORCE MAJEURE

- (a) All obligations of either party hereunder shall be suspended while, but only so long as, and to the extent that such party is prevented from complying with such obligations in whole or in part as a result of any event of force majeure as defined herein.
- (b) An event of force majeure shall mean any act or event beyond the reasonable control and without the fault or negligence of Seller or Company and affecting the Seller's mining operations with respect to Ore to be delivered hereunder or affecting the Mill or Company's milling operations and continuing for more than thirty (30) days, including in either case, but not limited to, any act, delay or failure to act on the part of any governmental authority (such as, for example, and not by way of limitation, enactment of legislation, promulgation of orders and adoption of rules, regulations, failure to issue necessary permits, licenses or approvals, or the like, so long as the party involved has diligently attempted to obtain such permits, licenses or approvals), acts of God, fire, surface flood, windstorm, and other damage from the elements (exclusive of usual winter conditions causing temporary work stoppages), explosion or major equipment breakdown, mine disasters, major accidents, labor disturbances such as strikes or work stoppages, blockades, delays in transportation or car shortages, unavailability of electrical power, fuel, supplies or necessary equipment, and Mill shutdowns for rehabilitation or modification, but specifically excluding normal increases in the cost of mining and the effects of changes in the prices of uranium and vanadium, and normal risks of mining and milling. Any strike, lockout or other labor dispute shall be deemed to be beyond the reasonable control of and without the fault or negligence of Seller or Company and nothing herein shall be deemed to obligate Seller or Company to forestall or settle any such labor disturbance against its will.
- (c) Prompt notice of the occurrence of any event of force majeure shall be given by the affected party to the other, together with an estimate of the effect of such occurrence on deliveries or production, as the case may be, and the expected duration thereof. The party prevented from complying with its obligations shall use all reasonable efforts and exercise diligence in its endeavor to remove or overcome such event of force majeure, provided that if the periods of force

majeure affecting performance of this Agreement in whole or in part by Seller shall exceed, in the aggregate, during the term hereof, ninety (90) days, which days need not be consecutive, this Agreement and all obligations hereunder shall terminate, at the option of Company, and be of no further force or effect.

21. SUCCESSORS AND ASSIGNS

The terms and provisions of this Agreement shall be binding upon and endure to the benefit of the parties hereto and their successors and permitted assigns.

22. ASSIGNMENT

Notwithstanding any provision to the contrary in this Agreement, neither this Agreement nor any rights or obligations hereunder shall be assigned or otherwise transferred by either party hereto without the prior written consent of the other party. Any attempted assignment or transfer by a party hereto, except as aforesaid without the other party's written consent shall be without force and effect. Notwithstanding the forgoing, either party may assign its rights hereunder to a bank or other financial institution or lender in connection with a financing by such party, and Company may assign its rights hereunder to one or more of its affiliates.

IN WITNESS WHEREOF, the Seller and Company have executed this Agreement as of the day and year first above written.

[Seller]

Denison White Mesa LLC

By: _____

By: _____

Print Name

Print Name

Company Name

Schedule "A"

Description of Properties

Name of Mine: _____

Location: State: _____ County: _____

If lands comprising the mine are held by lease: Lessor: _____

Township: _____ Range: _____ B.M. _____

Section:

Section:

Section:

If lands comprising the mine are held by unpatented mining claims:

Current owner of Claims:

Claim Name

BLM Number

Schedule "B"

Price Schedule

Each month Company will furnish Seller with an "Denison Ore Buying Schedule" (the "Price Schedule"). Each Price Schedule will set out the purchase price (the "Purchase Price") for each dry ton of Ore delivered to Company pursuant to this Agreement, during that month, for any combination of grades of U_3O_8 and V_2O_5 contained in the Ore.

The Price Schedule will vary from month to month based on changes in the following:

- (a) the market value of a pound of U_3O_8 , determined by taking the quoted long-term uranium price reported by The Ux Consulting Company LLC for the calendar month preceding the calendar month in which the Price Schedule is effective; and
- (b) the market value of a pound of V_2O_5 from time to time as determined by the Company (the initial value being \$4.00 per pound of V_2O_5).

Generally, the Purchase Price per ton of Ore will increase with increases in the market value of U_3O_8 and/or of V_2O_5 , and will decrease with decreases in the market value of V_2O_5 and/or U_3O_8 , in a manner determined by Company. The Purchase Price per ton of Ore will not necessarily increase or decrease in a linear fashion with changes in the market values of U_3O_8 and V_2O_5 .

An Example of the Price Schedule for a combination of market values of U_3O_8 and V_2O_5 is attached to this schedule.

The Price for each ton of Ore in an Ore Lot closed in any month will be determined based on the Price Schedule published for that month.

Multiple Ore Lots closed during the same calendar month will be settled by calculating the greater value of payment of either the sum of individual Ore Lots or the value determined from the weighted arithmetic grade of the individual Ore Lots.

The Purchase Price calculated as set out above does not apply to any Ore Lot having a weighted average grade of V_2O_5 or U_3O_8 less than the minimum average grade values listed in the current monthly "Denison Ore Buying Schedule" for which there is a published dollar value (No Pay). A Purchase Price for any Ore Lot failing to meet these minimum levels of V_2O_5 and U_3O_8 must be negotiated between Seller and Company. Company shall have no obligation to Purchase any Ore Lot that fails to meet these minimum grades.

Schedule "C"

Transportation Allowance

The Transportation Allowance, in US\$ per dry ton delivered to the White Mesa Mill, is as follows:

Road Miles to White Mesa Mill	Allowance
0-25	\$ 5.00 per dry ton
26-50	\$ 9.50 per dry ton
51-75	\$13.50 per dry ton
76-100	\$17.00 per dry ton
101-125	\$20.00 per dry ton
126-150	\$22.50 per dry ton