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## 1. Outline of the Cigar Lake Uranium Mine

The Cigar Lake Mine, located in northern Saskatchewan, Canada, at 58 degrees north latitude, is one of the world's largest, high-grade uranium deposit. We plan to use the very latest mining technology called Jet Boring System to mine uranium ores, which lies at some 450 meters below. Proven and probable reserves of the Cigar Lake deposit is approximately 176,000 short tons  $U_3O_8$  and the deposit is lied in two parts with different grades. The larger part of the deposit is to be mined as the first stage (Phase 1) of the project.

- Proven and probable reserves

176,000 short tons of  $U_3O_8$  (136,000 tons of U)

- Multi year production

Phase 1 (2007 – 2021) 116,000 short tons of  $U_3O_8$  (89,000 tons of U), average grade of 19.0%

\*Production schedule of Phase2 (60,000 short tons of  $U_3O_8$ ) is to be considered.

- Annual production

9,000 short tons of  $U_3O_8$  ( Phase 1, at full production )

- Mining method

Jet Boring method (A method whereby ores are collected through the injection of high-pressure water )

All procedures carried out remotely to minimize employees' exposure to radiation

- Partners

CAMECO ( Operator, Canada )	50.025%
COGEMA ( Canadian subsidiary* )	37.100%
Idemitsu Kosan ( Canadian subsidiary ** )	7.875%
TEPCO ( Canadian subsidiary *** )	5.000%

\*COGEMA Resources Inc.

\*\*Idemitsu Uranium Exploration Canada Ltd.

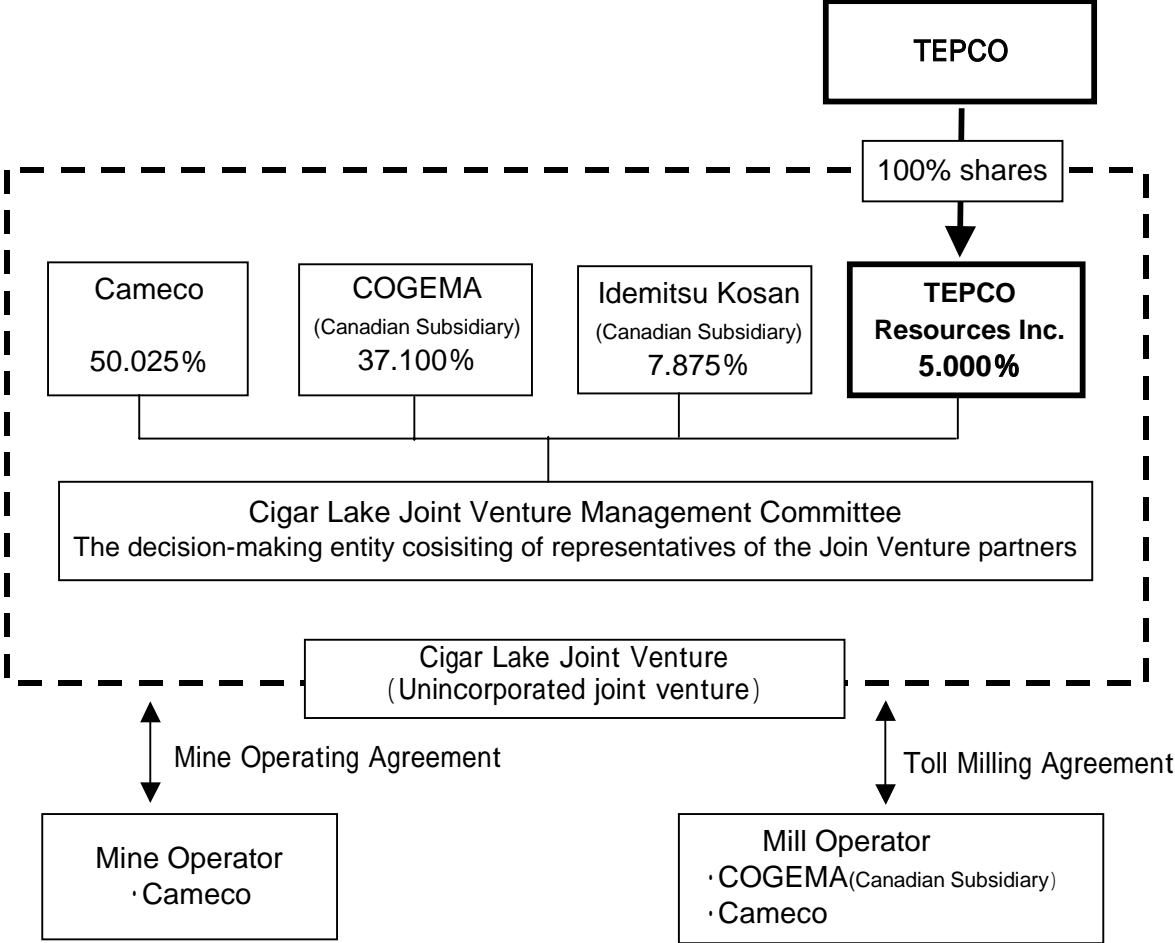
\*\*\*TEPCO Resources Inc.

Each joint venture partner pays the cost of construction and operation of the mine according to the percentage of interests, and receive the products (uranium concentrates) also according to the percentage.

## **2. Outline of TEPCO Resources**

- Company name: TEPCO Resources Inc. (Canada)
- Business: Production and sale of uranium  
TEPCO Resources Inc. receives 5% of the uranium production from Cigar Lake Mine and sells it to TEPCO
- Location: Saskatoon, Saskatchewan, Canada
- President: Kaoru Samejima
- Capital: 47.5 million Canadian dollars
- Established: April 1997

**3. Business Scheme**



4. Map of Cigar Lake Uranium Mine

