

JONATHAN C. LISUS
Direct: (416) 598-7873
jlisus@counsel-toronto.com
File No. I2498

LAX O'SULLIVAN SCOTT LISUS LLP
Suite 1920, 145 King Street West
Toronto ON M5H 1J8 Canada
Tel: 416 598 1744 Fax: 416 598 3730



April 30, 2012

BY EMAIL

John Sabine
Fraser Milner Casgrain LLP
77 King Street West, Suite 400
Toronto-Dominion Centre
Toronto, Ontario M5K 0A1

Dear Mr. Sabine:

Re: Proposed sale of First Uranium Corporation core assets

As you know, we are counsel to OLMA Investment Firm, Stratton Enterprises Inc. and Patto Corporate Services Ltd. (the "Shareholders"). In addition, Sprott Asset Management LP ("Sprott") supports this letter. The Shareholders and Sprott collectively hold over 41 million shares representing over 17% of the issued shares of First Uranium Corporation (the "Corporation").

We write to express the Shareholders' dissatisfaction with the performance of the Board of Directors (the "Board"). This Board has caused the Corporation's capitalization to fall from \$1 billion in 2009 to only \$25 million today. The Corporation's share price has suffered a drop from \$6 to \$0.10. In the last nine months alone, the value of the Corporation decreased by 80%, from \$0.60 to \$0.10 per share as of today.

The calamitous drop in the value of the Corporation has been detrimental to all of its shareholders. However, even now, the Board continues to act in a manner that is prejudicial to the interests of shareholders. For example:

- The Board has failed to set up a clear and transparent process for the sale of assets. In running the sale process the Board favoured Anglo Gold, the company's biggest shareholder. At least one bidder did not get full and fair access to the sale process.
- In particular, the Board failed to substantively respond to a \$70 million USD bid for the Ezulwini mine made by the Renova Group ("Renova") in February 2012. The Board accepted Gold One's bid of the same amount rather than attempt to have either bidder raise their price.

- Despite the Board's inaction, the Shareholders obtained a further bid from Renova in the amount of \$80 million USD and an additional bridge loan in the amount of \$10 million, submitted to the Board on April 17, 2011. Mr. Hick's response on April 17 was to refer to the bid as "BS". Again, no effort was made to increase the size of either the Renova bid or the Gold One bid.
- The Board consented to a sale of Mine Waste Solutions ("MWS") to Anglo-Gold Ashanti Limited ("AGA"), the single largest shareholder of the Corporation, for a price far lower than the true value of that asset.
- The Board has ignored requests from the Shareholders for information and documents related to the purported sales of Ezulwini and MWS. Our clients wrote requesting information on March 16 and April 6. Our firm wrote on April 13. No information has been provided in response to these requests. In addition, email request from our clients dated April 22 for a without prejudice conversation with top management was turned down.

Given the dramatic decline in the value of the Corporation under the Board's leadership and its unwillingness to work with the Shareholders to maximize that value, we have been instructed to commence preparation for legal proceedings.

We again ask that the Corporation provide:

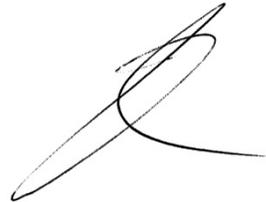
1. A chronology of the negotiations between the Corporation and both AGA and Gold One, including any offers received from AGA or Gold One in the past two years.
2. A summary of the steps taken by management and the Board to ensure the transparency and fairness of the sale process, including Board minutes of any meetings where the potential sales of Ezulwini and MWS have been discussed.
3. The chronology of events after receiving the offer from WMC/Renova on February 8th. When did the special committee review the offer? Was there a delay in between receiving the offer and its review by the Special Committee?
4. Disclosure of any management/employment agreements, written or verbal, between the Corporation, management and AGA or Gold One.
5. Offers from third parties regarding the sale of Mine Waste Solutions and Ezulwini and a summary of the steps taken by the Corporation in each case to evaluate the offers, including the Board's reasons for ignoring bids from Renova and other bidders.
6. Disclosure of all offers the Corporation received that remain unanswered and if so, particulars of those offers.

Given the importance of the Ezulwini and MWS assets to the value of the Corporation, the Shareholders cannot afford to wait. It is necessary for the

Shareholders, the Board and the Corporation to do everything possible to increase capitalization of the Company and the sale prices of Ezulwini and MWS.

We look forward to hearing from you prior to the close of business on Thursday, May 3, 2012.

Yours truly,

A handwritten signature in black ink, appearing to read 'Jonathan C. Lisus', with a large, sweeping flourish at the end.

Jonathan C. Lisus

JCL:oyc

cc: Board of Directors, First Uranium Corporation
Peter M. Surgey
Chairman of the Board

Hugh C. Cameron
Normand Champigny

John W. W. Hick
Lead Independent Director

Deon T. van der Mescht
Thabo F. Mosololi
Kevin P.E. Wakeford
Graham P. Wanblad

To be distributed through Company Secretary 141 Adelaide Street West
Suite 1210
Toronto, Ontario M5H 3L5