

THIS SHARE PURCHASE AGREEMENT made the 1st day of February, 2006

AMONG:

Energy Asia (BVI) Limited, a body corporate incorporated under the laws of the British Virgin Islands with its registered address at 3175, Road Town, Tortola, British Virgin Islands (the "Purchaser")

- and -

JSC NAC Kazatomprom, a joint stock company constituted under the laws of the Republic of Kazakhstan with its registered address at 168 Bogenbai Batyr St, 050012 Almaty, Kazakhstan and registered number 18975-1910-AO (the "Seller")

RECITALS

WHEREAS:

- A. the Seller has established a daughter enterprise Baiken-U LLP and has a 100% interest in equity capital of Baiken-U LLP. The Seller has a intention to sell Purchaser 95 % interest of equity capital of Baiken-U LLP (as defined below);
- B. Baiken-U LLP (Baiken-U) has the right to explore and mine uranium at the Kharassan-2 site and south-eastern flank of Northern Kharassan deposit in the Kyzylorda region of the Republic of Kazakhstan;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the respective promises, covenants, representations, warranties, indemnities and agreements herein contained the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

Where used herein, unless there is something in the subject matter or context inconsistent therewith, the following terms have the respective meanings set out below and grammatical variations of such terms have corresponding meanings:

"Books and Records" means all information in any form relating to the Business and the operations of Baiken-U, including books of account, financial accounting information and records, personnel records, tax records, sales and purchase records, customer and supplier lists, research and development reports and records, exploration data, production reports and

records, equipment logs, operating guides and manuals, business reports, plans and projections, marketing and advertising materials and all other documents, files, correspondence and other information (whether in written, printed, electronic or computer printout form, or stored on computer discs or other data and software storage or media devices);

"Business" means the business and mining operations currently intended and heretofore carried on by Baiken-U;

"Business Day" means any day other than a Saturday, Sunday or other days off, statutory holidays in the British Virgin Islands, England or the Republic of Kazakhstan;

"Closing" means the completion of the purchase and sale of Baiken-U Interest pursuant to this Agreement as set out in Article 11;

"Closing Date" means the date of the completion of transaction which falls on date indicated in paragraph 11.1, Article 11 of this Agreement;

"Contaminant" means any solid, liquid or gaseous hazardous waste, including any hazardous waste, pollutant, contaminant, harmful substance, toxic waste or special waste defined under any Environmental Law;

"Contract" means any contract, commitment or understanding (including any lease, licence, guarantee, indemnity, indenture or other instrument), whether written or oral;

"Encumbrance", in respect of any property or assets, means any encumbrance of whatever kind or nature, regardless of form, whether or not registered or registrable and whether or not consensual or arising by law (statutory or otherwise), including any mortgage, lien, charge, pledge or security interest, whether fixed or floating, or any assignment, lease, option, right of pre-emption, privilege, encumbrance, easement, servitude, right of way, restrictive covenant, right of use or any other right or claim of any kind or nature whatever which affects ownership or possession of, or title to, or any interest in, or the right to use or occupy such property or assets;

"Environment" means the earth, the air, the atmosphere, land, soil, water, organic and inorganic matter, living species and organisms, any combination of the above components, interacting natural systems that include the above components and the ambient milieu with which living species have relations;

"Environmental Laws" means all Legislative Requirements but limited to the Republic of Kazakhstan relating in whole or in part to the Environment or its protection, including without limitation any Legislative Requirements in the Republic of Kazakhstan relating to (i) the natural or accidental release, emission, discharge, deposit, issuance, spraying, injection, inoculation, abandonment, burial, spilling, incineration, disposal, leaking, seeping, pouring, emptying, throwing, dumping, placing or exhausting of any Contaminant into the Environment; (ii) the storage, disposal, destruction, incineration, burial, recycling, handling, transportation or use of a Contaminant; and (iii) the remediation or restoration of any part of the Environment;

"Environmental Orders" means Orders relating in whole or in part to the Environment or its protection;

"Field" means the one uranium field at the Kharassan-2 site and south-eastern flank of the Northern Kharassan deposit in the Kyzylorda region of the Republic of Kazakhstan as marked on the plan attached to the Field Contract at Schedule.

"Field Contract" means the contract for uranium exploration and mining at the Kharassan-2 site and south-eastern flank of the Northern Kharassan deposit in the Kyzylorda region of the Republic of Kazakhstan, registration number 1964 dated March 01, 2006 (Act of Registration number 1964 dated March 01, 2006), between the Ministry of Energy and Mineral Resources of the Republic of Kazakhstan and JSC NAC Kazatomprom, a joint stock company constituted under the laws of the Republic of Kazakhstan with its registered address at 168 Bogenbai Batyr St, 050012 Almaty, Kazakhstan and registered number 18975-1910-AO, the right of subsurface use under which was assigned to Baiken-U according to Addendum No. 1 of 21.07.2005 to this Contract pursuant to which Baiken-U has been granted right to the exploration for, and mining of, Uranium in the Field, as amended from time to time.

"Financial Indebtedness" means, in respect of any Person, indebtedness and liabilities:

- (a) for money borrowed by such Person (including interest and other charges on or in respect thereof);
- (b) in respect of the advance or extension of credit in the nature of or similar to a loan or line of credit (including by way of the acceptance of bills of exchange, drafts or bankers' acceptances or the issuance of foreign exchange contracts or interest rate or currency swaps but excluding by way of letters of credit) to such Person (including interest and other charges on or in respect thereof);
- (c) under a note or other debt instrument (including an agreement for sale, conditional sales contract or similar instrument) given or assumed by such Person in payment of the purchase price of any property; and
- (d) under any guarantee, indemnity, surety, similar obligation or other form of insurance against financial loss given by such Person in respect of Financial Indebtedness of any other Person;

"Fiscal Year" means the fiscal year, being the period commencing on 1 January and ending on 31 December each year;

"Government Authority" means any Government, agency, department, commission, board, bureau or instrumentality of any nation and any other Person exercising lawful executive, legislative, judicial, regulatory or administrative jurisdiction over the subject matter of this Agreement, or a Party hereto;

"Baiken-U" means Baiken-U LLP, a limited liability partnership constituted under the laws of the Republic of Kazakhstan with its registered address at 168, Bogenbai Batyr Str.,

Almaty, 050012, the Republic of Kazakhstan and registered under number 76442-1910-TOO;

"Baiken-U Interest" means the 95% partnership interest in the equity capital of Baiken-U alienated by the Seller pursuant to this Agreement;

"Legislative Requirement" means any statute, law, ordinance, bylaw, rule, or regulation of any Government Authority having jurisdiction;

"Material Contracts" means Contracts:

- (a) not entered into in the ordinary and normal course of business;
- (b) involving a current obligation to pay or be paid in the future in excess of \$1,000,000 (one million Dollars);
- (c) presently affecting or which may hereafter affect ownership or possession of, or title to, or any interest in, or the right to use or occupy, any real property, machinery or equipment material to the Business;
- (d) involving co-ownership, joint venture or partnership arrangements or the appointment or activities of an agent;
- (e) involving confidentiality or non-competition obligations; or
- (f) requiring payment of any royalty, licence fee, management fee or the like to any Person

other than the Field Contract;

"Order" means any legally binding order, decision, direction, directive, declaration, injunction, decree, writ, judgment, ruling, award, request, undertaking, or any commitment required as a condition to the granting of any licence, permit, certificate, consent, registration, qualification, authorization, approval or the like by any Government Authority or remedial relief from any Legislative Requirement or administrative action or proceeding or like communication or stipulation rendered or issued by any Government Authority, court or arbitrator having jurisdiction;

"Ordinary and normal course of business" means, the ordinary course of the normal day-to-day operations or Baiken-U;

"Party" means a party to this Agreement;

"Parties" means the Purchaser, the Seller;

"Person" means any individual, corporation, body corporate, joint stock company, limited liability company, partnership, association, trust or unincorporated organization, or any

trustee, executor, administrator or other legal or personal representative, government body or regulatory authority or other entity, designated or constituted by them;

Subsidiary means an entity which control or is controlled or under general control from the Party. For the purpose of this definition, "control" means: 1) holding, direct or indirect, of voting capital or shares of person having more than 50 per cent of the voting capital or similar right or shares of such a person; 2) ownership, direct or indirect, of share giving a holder the right for election of majority in the board of or supervisory board.

"Tax" means a tax, duty, fee, royalty, levy, impost, deduction, charge or withholding, and all liabilities with respect thereto, levied, imposed or assessed from time to time upon or in respect of income, capital, wages of employees, profits, services, property or transactions of any nature or kind by any Government Authority or the taxing authority of any such Government Authority or under a Legislative Requirement or Order;

"To the best knowledge" refers to the actual and conscious knowledge of the Party giving the representation and warranty, and to the knowledge such Party would have if it had conducted a reasonable inquiry into the relevant subject matter of such a representation and warranty.

"Uranium" natural uranium occurrences in subsurface which are suitable for commercial production, the right of which exploration and mining is stipulated by the Field Contract.;

"Priority right of the State" means the priority right of the Republic of Kazakhstan to other participants in Baiken-U for purchase of Baiken-U Interest pursuant to the laws of the Republic of Kazakhstan.

1.2 **Gender, Etc.**

Except where the context requires otherwise, any reference in this Agreement to gender includes all genders, words used herein importing the singular number include the plural and vice-versa, the word "or" is not exclusive and the word "including" is not limiting (whether or not non-limiting language (such as "without limitation" or "but not limited to" or words of similar import) is used with reference thereto).

1.3 **Currency**

Unless otherwise indicated, all references in this Agreement to dollars are to United States dollars.

1.4 **Entire Agreement**

This Agreement (including all Schedules hereto) constitutes the entire agreement between the parties pertaining to the subject matter hereof. This Agreement supersedes all prior agreements, understandings, negotiations and discussions, whether written or oral. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as herein provided. "Agreement" or "this Agreement" means this agreement for

purchase of Baiken-U interest (together with all Schedules) as it may from time to time hereafter be amended, supplemented or otherwise modified in accordance herewith and "hereto", "herein", "hereof", "herewith" and similar terms refer to this Agreement in its entirety unless a specific provision is stipulated.

Division and Headings

The division of this Agreement into Articles, sections, subsections and paragraphs and the insertion of headings are for convenience of reference only and will not affect the construction or interpretation hereof. Unless otherwise indicated, any reference in this Agreement to a section, subsection, paragraph or Schedule refers to the specified section, subsection or paragraph of or Schedule to this Agreement.

Accounting Principles

Any reference in this Agreement to generally accepted accounting principles refers to generally accepted accounting principles as approved in accordance with the International Financial Reporting Standards including International Accounting Standards and Interpretations as at 1st January 2006 of the International Accounting Standards Board, and all financial statements and financial calculations shall, unless otherwise expressly provided, be prepared or calculated in accordance with generally accepted accounting principles.

ARTICLE 2 PURCHASE AND SALE

Purchase and Sale

In accordance with and subject to the terms and conditions hereof, the Seller agrees to sell the Baiken-U Interest to the Purchaser and the Purchaser hereby agrees to purchase the Baiken-U Interest from the Seller.

Purchase Price and Satisfaction of Purchase Price

- (1) The consideration for the Baiken-U Interest is \$360,000,000 (three hundred sixty million United States Dollars) (the "Purchase Price") which the Purchaser will pay to the Seller as set out pursuant hereto.
- (2) For Closing the Purchaser shall pay the Purchase Price by wire transfer originating from a reputable bank to the account of the Seller in accordance with the details communicated by the Seller on the date additionally agreed by the Parties, however, in any case not later than March 31, 2007.

Transfer and Delivery of the Baiken-U Interest

The Seller shall take or provide taking all required measures and procedures for permission of proper registration of the Purchaser as participant in Baiken-U within 20 (twenty) business days from the date of signing of this Agreement and transfer and deliver to the Purchaser all documents representing the Baiken-U Interest, and shall take such steps as

shall be necessary to cause the Purchaser to be registered in the competent Government Authority as the holder of Baiken-U Interest.

**ARTICLE 3
REPRESENTATIONS AND WARRANTIES OF THE SELLER**

In order to cause the Purchaser to enter into this Agreement and to consummate the transactions contemplated hereby, the Seller represents and warrants to the Purchaser that:

3.1

Corporate Existence

The Seller is a company duly incorporated and organized and validly existing in good standing under the laws of the jurisdiction of its incorporation, and has all requisite corporate capacity, power and authority to own or hold under license or lease its property and assets and to carry on its business as now conducted by it.

Power and Authority

The Seller has all requisite power and authority to enter into this Agreement and to perform its obligations hereunder.

3.3

Enforceability

This Agreement has been duly executed and delivered by the Seller and constitutes a legal, valid and binding obligation of the Seller, enforceable against the Seller in accordance with its terms, and the transactions contemplated by this Agreement will not cause an Insolvency Event except that such enforcement may be subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws, regulations or procedures now or hereafter in effect relating to creditors' rights.

3.4

No Conflict

None of the execution and delivery of this Agreement, compliance with and performance of the terms, conditions and provisions hereof or consummation of the transaction contemplated hereby does or will conflict with or result in a violation of any provision of the memorandum or articles of association or bylaws or any resolution of the directors or shareholders of the Seller and in future there shall be no conflicts preventing the Seller to fulfill its obligations under this Agreements.

3.5

Ownership of Interest

The Seller is the registered owner of Baiken-U Interest, with good and marketable title thereto, free and clear of all Encumbrances and has the full right, power and authority to sell, transfer and deliver Baiken-U Interest to the Purchaser pursuant to this Agreement. The Seller is not a party to or bound by any Contract or other obligation whatsoever that limits or impairs its ability to sell, transfer and deliver, or that otherwise affects, Baiken-U Interest.

Title to Shares

Except for this Agreement, no Person has any Contract, or any option, call, right, commitment, understanding or arrangement capable of becoming a Contract, for the



purchase, transfer or sale of the alienated Baiken-U Interest or any right, title, benefit or interest therein or thereto.

3.7

Indispensable approvals

The Seller shall have all documents and all approvals as required by law for the fulfillment of the terms and conditions hereof. The above mentioned filing of the documents and obtaining of approvals include but not limited to a written waiver by the Republic of Kazakhstan of the priority right of the state in respect of the Baiken-U Interest acquisition

3.8

Brokerage Fees

The Seller has not incurred any obligation or liability, contingent or otherwise, for brokerage fees, finder's fees, agent's commission or other similar forms of compensation with respect to the transactions contemplated herein, which will be or may become the responsibility of the Purchaser.

3.9

Claims

The Seller has not received notice of any claim, demand, lawsuit, proceeding, arbitration or governmental investigation and is not aware of any claim, demand, lawsuit, proceeding, arbitration or governmental investigation, actual or threatened, which prevents or could reasonably be expected to prevent the consummation of the transactions contemplated by this Agreement.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES OF THE SELLER WITH RESPECT TO BAIKEN-U

In order to cause the Purchaser to enter into this Agreement and to consummate the transactions contemplated hereby, the Seller represents and warrants to the Purchaser that to the best knowledge of the Seller:

4.1

Corporate Existence and Capacity

Baiken-U is a legal entity duly constituted under the laws of the Republic of Kazakhstan, and has a right to carry on its business under the legislation of the Republic of Kazakhstan and has all requisite capacity, power and authority to own or hold under licence or lease its property and assets and is duly qualified to carry on its business and is in good standing in each other jurisdiction in which the business it carries on or the property and assets it owns or holds under licence or lease requires such licensing or qualification, except for jurisdictions in which the failure to be so qualified or to be in good standing or to hold such licences or qualifications would not have a material adverse effect on the condition (financial or otherwise), property and assets, liabilities, operations, earnings, business or prospects of Baiken-U.

4.2

Corporate Records

The corporate records and minute books of Baiken-U as made available to the Purchaser (the "Corporate Records") contain complete and accurate copies of all of the

corporate documents and copies of the minutes of all meetings of general meeting of participants of Baiken-U and resolutions passed by the Supervisory Board (and any committees thereof) thereof, and all such meetings and resolutions were duly held or executed.

4.3 **Right for subsurface use**

Baiken-U is the sole legal contractor under the Field Contract and the sole holder of the Subsurface Use Right which is free and clear of all Encumbrances. The Field Contract is in full force and effect and no act or omission of the Seller or Baiken-U has occurred which would or might entitle the relevant authority of the Republic of Kazakhstan to terminate or suspend the Field Contract and no written notice has been given to the Seller or Baiken-U of any intention to terminate the Field Contract which has given rise or may given rise to termination or suspension of the Field Contract.

4.4 **Enforceability**

The execution, delivery and performance of this Agreement by the Corporation has been duly authorized by all necessary corporate action on its part. This Agreement has been duly executed and delivered by the Corporation and constitutes a legal, valid binding obligation enforceable against it in accordance with its terms, except that (i) such enforcement may be subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect relating to creditors' rights, and (ii) the remedy of specific performance and injunctive or other forms of equitable relief may be subject to equitable defences and to the discretion of the court before which any proceeding therefor may be brought.

4.5 **No Conflict**

None of the execution and delivery of this Agreement, compliance with and performance of the terms, conditions and provisions hereof or consummation of the transactions contemplated hereby does or will:

- (a) conflict with or result in a violation of any provision of the corporate documents of Baiken-U, or any resolution of the executives of Baiken-U, as the case may be;
- (b) conflict with or result in a violation of any Legislative Requirement or Order applicable to Baiken-U or by which any of their respective property and assets are bound;
- (c) conflict with or result in a breach of or a default under, or give to any Person any right to terminate, cancel, suspend or modify, any agreement in respect of Financial Indebtedness or Baiken-U;
- (d) conflict with or result in a default under, or give to any Government Authority any right to terminate, cancel, suspend or modify, any licence, permit, certificate, consent, registration, qualification, authorization, approval or the like, or affect compliance by Baiken-U therewith; or

- (e) result in the creation of any Encumbrance on the Baiken-U Interest or the property and assets of Baiken-U or result in a breach of or a default under, or cause the acceleration of the maturity of, any liability of Baiken-U (if the maturation of such liability would affect the purchase and sale of Baiken-U Interest under this Agreement).

4.6 **Subsidiaries and Joint Ventures**

Baiken-U does not have any Contract to acquire, lease or manage any business operation, other than those currently constituting the Business; and there are no projects or operations being conducted by Baiken-U with any other Person.

4.7 **Guarantees and Indemnities**

There is no claims from any Persons against Baiken-U of any agreement of guarantee, support, indemnification, assumption or endorsement of, or any similar commitment with respect to, the obligations or liabilities (whether accrued, absolute, contingent or otherwise) of any Person.

4.8 **Business Assets**

(i) the Business is the only business operation carried on by Baiken-U; (ii), the property and assets owned or held under licence or lease by and Baiken-U are sufficient to carry on the Business as now carried on; (iii) all such property and assets are in good operating condition and are in a state of good repair and maintenance, normal wear and tear excepted, and are adequate and suitable for the purposes for which they are currently being used; (iv) none of the buildings, structures, improvements, plant, fixtures or appurtenances comprising any real property owned or held under licence or lease by Baiken-U (the "Infrastructure") are currently undergoing any alteration or renovation, nor is any such alteration or renovation contemplated (other than, in either case, those alterations and renovations which occur in the ordinary course of business, consistent with past practice), and there are no material or structural repairs or replacements thereto which are necessary or desirable; and (v) none of the Infrastructure, nor the operation or maintenance thereof, violates any Legislative Requirement or Order or any restrictive covenant or encroaches on any property owned by others, which violation or encroachment has or will have a material adverse effect on Baiken-U.

Title to Assets

Baiken-U owns, possesses and has good and marketable title, free and clear of all Encumbrances, to all of the property and assets it purports to own.

4.10 **No Governmental Consent**

Baiken-U is not required to give any notice to, make any filing with, or obtain any authorization, consent or approval of any Government Authority in order to consummate the transactions contemplated by this Agreement.

4.11 **Investigation**

Baiken-U has not been charged with nor have they been given any notice of any material violation of or, to the best knowledge of the Seller or the Corporation, are under any investigation with respect to, any Legislative Requirement or Order.

4.12 **Contracts**

Baiken-U is not party to any Material Contracts.

4.13 **Books and Records**

The Books and Records of Baiken-U are complete and fairly and correctly set out and, in the case of books of account and financial and accounting information and records, disclose in accordance with generally accepted accounting principles, its financial position as at the date hereof and all financial transactions of Baiken-U have been accurately recorded in such Books and Records. The Books and Records of Baiken-U have been maintained in the usual regular and ordinary manner and in accordance with good business practice.

4.14 **Taxes**

Baiken-U has duly filed on a timely basis and in the manner prescribed by law, all Tax returns, if any, required to be filed and has paid all Taxes, if any, which are due and payable, and all reassessments, penalties, interest and fines due and payable by or assessed against Baiken-U. All such returns are true, correct and complete in all respects and fully disclose the Tax, expenses, deductions and credits due for the periods covered thereby, to the extent required by law. Baiken-U has made adequate reserves, accruals and provision in its financial records for Taxes payable by it for the current period that are not yet due and any previous period for which tax returns are not yet required to be filed. There are no material actions, suits, proceedings, investigations or claims pending or threatened against Baiken-U in respect of Taxes, nor are any material matters under discussion with any Government Authority relating to Taxes asserted by any such authority. There is no liability for Taxes and no basis on which any liability for Taxes, including interest and penalties, might be asserted against Baiken-U. Baiken-U has withheld from each payment made to any Person, the amount of all Taxes and other deductions required to be withheld therefrom pursuant to Legislative Requirement and to be paid within the time required thereunder. Baiken-U shall submit tax accounting and complies with taxation laws as is prescribed by the laws of the Republic of Kazakhstan in whole and at the stated time.

4.15 **Litigation**

There is no action, dispute, claim, litigation, arbitration, investigation, suit, inquiry or proceeding pending or, to the best knowledge of the Seller threatened against or affecting Baiken-U, the Baiken-U Interest, or the Field Contract, whether at law or in equity in any court, or before or by any Government Authority or any private arbitrator or arbitration board, mediator or referee which could reasonably be expected to have a material adverse effect on the condition (financial or otherwise), property and assets, liabilities, operations, earnings, Business or prospects or Baiken-U. or which might prevent the carrying out of this Agreement or any of the transactions contemplated hereby or declare the same unlawful or cause the rescission thereof, and, to the best knowledge of the Seller, there are no grounds on

which any such action, dispute, claim, litigation, arbitration, investigation, suit or proceeding might be commenced.

4.16

Environmental

- (a) Baiken-U has at all times been and is in all material respects in compliance with all Environmental Laws and Environmental Orders, and has obtained all licences, permits, approvals, consents, certificates, registrations and other authorizations required under Environmental Laws (the "Environmental Permits") for the operation of the Business and each Environmental Permit is valid, subsisting and in good standing, and Baiken-U is not in material breach of or in material default under any Environmental Permit and no proceeding is pending or threatened to revoke or limit any Environmental Permit.
- (b) No Person has used or permitted to be used, except in compliance in all material respects with all Environmental Laws, any property or Baiken-U owned or held under licence or lease, to generate, manufacture, process, distribute, use, treat, store, dispose of, transport or handle any Contaminant.
- (c) Baiken-U has not received any notice of, or been prosecuted for an offence alleging, non-compliance with any Environmental Laws or Environmental Orders. There are no outstanding Environmental Orders requiring any work, repairs, construction or capital expenditures with respect to the Business or any property or Baiken-U.
- (d) No Person has caused or permitted the release in any manner whatsoever, except in compliance in all material respects with all Environmental Laws, of any Contaminants on or from any real property owned or held under licence or lease by Baiken-U or from any properties owned by third parties but with respect of which Baiken-U is or may reasonably be alleged to have liability or from any machinery, equipment, motor vehicles or other moveable property located or operated thereon and all of the locations on such real property where Contaminants have been or are being stored or disposed of have been disclosed by the Seller to the Purchaser in writing.
- (e) Baiken-U has not received any notice that it is potentially responsible for the remediation or costs of remediation of a contaminated site or corrective action under any Environmental Laws or Environmental Orders or any request for information in connection with any federal, provincial, municipal or local inquiries as to disposal sites.
- (f) Baiken-U does not have any liability, nor are there existing arrangements which could give rise to any liability, whether under an environmental law or the common law, with respect to or resulting from any contamination or the remediation of, or the costs of remediation of, any contaminated property, or any damages arising therefrom, which will have a material adverse effect on Baiken-U.

4.17 Full Disclosure

Neither this Agreement nor any document to be delivered pursuant to this Agreement by the Seller nor any certificate, report, statement or other document furnished by the Seller in connection with the negotiation of this Agreement contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary to make the statements contained herein or therein not misleading. There has been no event, transaction or information which has come to the attention of the Seller that has not been disclosed to the Purchaser in writing which could reasonably be expected to have a material adverse effect on Baiken-U.

**ARTICLE 5
COVENANTS OF THE SELLER**

5.1 Necessary Action

The Seller will use all commercially reasonable efforts to do or cause to be done all things necessary or desirable to satisfy all requirements and conditions to be satisfied by them under this Agreement in order to complete the transactions contemplated hereby and to comply with, satisfy and fulfil promptly all legal and regulatory requirements applicable to it with respect to satisfying the conditions contained herein and with respect to the consummation of the transactions contemplated hereby and agrees to cooperate with the Purchaser to comply with, satisfy and fulfil promptly any legal and regulatory requirements applicable to the Purchaser.

5.2 Transfer of Baiken-U Interest

The Seller will take or cause to be taken all necessary steps and proceedings to permit duly and proper registration of the Purchaser as the participant in Baiken-U within the period indicated in paragraph 2.3, Article 2 of this Agreement.

5.3 Permits of Governmental Authority

The Seller shall inform the Purchaser of any requirements for notices, registration, obtaining of permits, consents or confirmation from any Governmental Authority for making transactions stipulated by this Agreement.

**ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF THE PURCHASER**

In order to cause the Seller to enter into this Agreement and consummate the transactions contemplated hereby, the Purchaser represents and warrants to the Seller that:

6.1 Corporate Existence

The Purchaser is a company duly incorporated and organized and validly existing in good standing under the laws of the jurisdiction of its incorporation, and has all requisite corporate capacity, power and authority to own or hold under license or lease its property and

assets and to carry on its business as now conducted by it and will continue to remain in good standing until its obligations have been discharged.

6.2 **Power and Authority**

The Purchaser has all requisite corporate power and authority to enter into this Agreement and to perform its obligations hereunder including, to its best knowledge, its future obligations under this Agreement.

6.3 **Enforceability**

This Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms, and the transactions contemplated by this Agreement will not cause an Insolvency Event except that such enforcement may be subject to bankruptcy, insolvency, or other similar laws now or hereafter in effect relating to creditors' rights.

No Conflict

None of the execution and delivery of this Agreement, compliance with and performance of the terms, conditions and provisions hereof or consummation of the transaction contemplated hereby does or will conflict with and result in a violation of any provision of the memorandum or articles of association or bylaws or any resolution of the directors or shareholders of the Purchaser and there will not be any future conflicts preventing the fulfillment of the Purchaser's obligations under this Agreement.

**ARTICLE 7
COVENANTS OF THE PURCHASER**

7.1 **Necessary Action**

The Purchaser will use all commercially reasonable efforts to do or cause to be done all things necessary or desirable to satisfy all requirements and conditions to be satisfied by it under this Agreement in order to complete the transactions contemplated hereby and provide the Seller with all required documents to obtain permissions from the Government Authorities indicated in paragraph 5.3 of this Agreement and to comply with, satisfy and fulfil promptly all corporate, legal and regulatory requirements applicable to it with respect to satisfying the conditions contained herein and with respect to the consummation of the transactions contemplated hereby and agrees to cooperate with the Seller to comply with, satisfy and fulfil promptly any legal and regulatory requirements applicable to the Seller, as the case may be.

Payment

The Purchaser shall make payment for the Baiken-U Interest in accordance with the terms indicated in subparagraph b), paragraph 2.2, Article 2 of this Agreement.

Constituent documents

Constituent documents of Baiken-U as well as other required documents shall have to be agreed with and signed by the Purchaser.

ARTICLE 8 CONDITIONS OF CLOSING IN FAVOUR OF THE PURCHASER

The obligations of the Purchaser hereunder will be conditional upon all of the following conditions in Sections 8.1 to 8.4 inclusive, each of which is included for the exclusive benefit of the Purchaser, being fulfilled, satisfied or performed at or prior to date of signing of this Agreement.

8.1

Performance

All of the terms, covenants, obligations and conditions of this Agreement to be complied with or performed by the Seller at or before the date of signing of this Agreement shall have been complied with or performed by the Seller at or before such time.

Waiver of the Pre-emptive Right of the State

Any and all pre-emptive rights asserted by any Government Authority over an alienable Baiken-U Interest shall have been waived by the state in favour of Purchaser.

8.3

Legal Action

All actions, proceedings, instruments, documents and all other legal matters, required to implement this Agreement, instrumental thereto or relating to the matters governed by this Agreement, and all legal matters relating to the purchase of Baiken-U Interest, shall have been approved as to form and legality to the satisfaction of the Parties.

8.4

Documents

All documents required to be delivered by the Seller pursuant to this Agreement prior to or at Closing shall have been delivered by the date of signing of this Agreement.

ARTICLE 9 MUTUAL CONDITIONS PRECEDENT

The obligations of each of the Parties hereunder will be conditional upon all of the following conditions in Sections 9.1 and 9.2, being fulfilled, satisfied or performed at or prior to the Date of signing of this Agreement.

Regulatory Consents

There shall have been obtained, from all appropriate Government Authorities, stock exchanges and securities regulatory authorities all consents, approvals, authorizations, waivers, releases, licences, permits, qualifications, registrations. Orders and the like, as may be required to permit the consummation of the transactions contemplated hereunder.

12

Consents

All material consents, approvals, authorizations, waivers, releases, licences, permits, qualifications, registrations, Orders and the like required to be made in connection with the transactions contemplated by the Agreement shall have been obtained or applied for as applicable, and all filings identified therein shall have been made, in each case in form and substance (which may include an estoppel or waiver in respect of past defaults and provide for confirmation) satisfactory to each of the Parties, acting reasonably.

ARTICLE 10 INDEMNIFICATION

1.1

Indemnification by the Seller

The Seller, hereby agrees on demand before the expiry of 8 (eight) months after the Date of signing of this Agreement to indemnify and save the Purchaser harmless from and against any and all Losses that the Purchaser may suffer or incur as a result of, with respect to or arising out of any non-fulfilment of any covenant, agreement or obligation on the part of the Seller under this Agreement, or any incorrectness in or breach of any representation or warranty of the Seller contained in this Agreement or in any certificate or document to be delivered to the Purchaser pursuant hereto.

2.

Indemnification by the Purchaser

The Purchaser hereby agrees on demand before the expiry of 8 (eight) months after the Date of signing of this Agreement to indemnify and save the Seller harmless from and against any and all Losses, that the Seller may suffer or incur as a result of, with respect to or arising out of any non-fulfilment of any covenant, agreement or obligation on the part of the Purchaser under this Agreement, or any incorrectness in or breach of any representation or warranty of the Purchaser contained in this Agreement or in any certificate or document to be delivered to the Seller pursuant hereto.

Should the Purchaser fails to fulfill the terms stipulated by Article 7 of this Agreement by the Closing Date, the Purchaser shall quit to be participant in Baiken-U and the Seller shall have a right to deal with Baiken-U interest at its own discretion. For all that, the Purchaser shall indemnify the Seller all losses indicated in this Article

ARTICLE 11 CLOSING

Closing date

Sale and purchase of the Baiken-U Interest (Closing) stipulated by this Agreement shall take place on the date of payment by the Purchaser for Baiken-U interest under the terms states in subparagraph b) paragraph 2.2 Article 2 of this Agreement.

Closing

At Closing, subject to all terms and conditions hereof being complied with, each Party shall fulfill all official procedures stipulated by this Agreement.



11.3 **Documents custody**

All documents tabled by the Parties in satisfaction of their obligations to Close shall be deemed to be held in escrow at Closing until all such documents have been tabled, at which time they shall be released from escrow, shall be delivered to the persons entitled thereto or the addressees thereof and shall apply in accordance with their respective terms.

**ARTICLE 12
DISPUTE RESOLUTION**

12.1 **Negotiation**

The Parties shall negotiate diligently and in good faith to resolve any dispute (a "Dispute") that arises in relation to this Agreement.

12.2 **Settlement by Arbitration**

In the event any Dispute is not resolved to the satisfaction of all Parties within 20 Business Days after the commencement of negotiations pursuant to Section 12.1 or within 40 Business days after the occurrence of the circumstances giving rise to the Dispute, whichever first occurs, any Party may give notice to the others of its desire to have the Dispute settled by arbitration to be held in London (UK) in accordance with the United Nations Commission on International Trade Law (UNCITRAL) Arbitration Rules conducted by three (3) arbitrators appointed pursuant to the said Rules. Any dispute between the Parties shall be determined in accordance with the governing law as provided in paragraph 13.8 Article 13 hereof. The arbitral award shall be final and binding upon the Parties, and shall be enforceable by any court or competent authority having jurisdiction.

**ARTICLE 13
MISCELLANEOUS**

13.1 **Further Assurances**

From time to time subsequent to the date hereof, each of the Parties will execute and deliver such additional instruments on transfers and other assurances and take such other actions as may reasonably be requested by the other Party in order to carry out the provisions of this Agreement and to complete the transactions contemplated hereunder.

13.2 **Notice of Breach**

Each Party agrees immediately to give the other written Notice of any breach of this Agreement of which the notifying Party becomes aware.

13.3

Subsequent Breaches

All rights and remedies of a Party under this Agreement and otherwise under applicable law are cumulative and in addition to (not in substitution for) any other such rights or remedies (except where applicable law otherwise provides). Any single or partial exercise by a Party of any such right or remedy shall not be a waiver of, nor shall alter or prejudice any, other right or remedy of such Party. Any waiver by a Party of strict observance of any provision of this Agreement or other requirement of applicable law, and any indulgence granted by a Party, shall not be a waiver of any past, current or subsequent right or remedy of that Party.

13.4

Relationship

Nothing in this Agreement creates, acknowledges or implies any relationship between or among the Seller and the Purchaser other than as independent contracting parties.

13.5

Force Majeure

- (a) Each Party is excused from performance of its obligations under this Agreement if such obligations cannot be performed due to Force Majeure, but only (i) for the duration of that Force Majeure, and (ii) if the Party claiming the Force Majeure gives the other Parties immediate Notice and all reasonable and pertinent details of the existence and continuance of Force Majeure, and (iii) for so long as the Party claiming Force Majeure takes all reasonable steps to mitigate the Force Majeure.
- (b) If any material obligation under this Agreement is not performed due to Force Majeure, the performance of such material obligations shall be extended for the period of the effect of Force Majeure. In case such Force Majeure events continue for a long period of time and go beyond the scheduled Closing Date as specified in Clause 11.1, Article 11 hereof, any Party not claiming the Force Majeure has the right to terminate this Agreement.
- (c) "Force Majeure" means an occurrence beyond the control of the Party claiming it and includes strikes, labour disturbances, accidents to machinery, delays enroute not attributable to the negligence of the Party, policies or restrictions of governments, war (whether declared or not), riot, civil disturbances, fire, act of God or any other contingency beyond the control of the Party. It is agreed that inability to pay is not Force Majeure and failure to pay cannot be excused by Force Majeure.

13.6

Notices

Any notice or other communication required or permitted to be given hereunder (a "Notice") will be in writing and will be given by personally delivering same, or sending same by telecopier or other similar form of electronic communication, addressed:

To the Purchaser, at Energy Asia (BVI) Limited, P.O. 3175, Road Town, Tortola, British Virgin Islands; with a scanned copy by email to Ludovissy & Wilson, 6 Avenue Pescatore, PO Box 677, L-2016 Luxembourg; Attention: Tel: +352 226 4681; E-mail: law@pt.lu



To the Seller, at JSC NAC Kazatomprom, 168 Bogenbai batyr str, 050012 Almaty, Republic of Kazakhstan. Tel: +7 3272 615 425; Fax: +7 3272 503 541; E-mail: mtsotsoria@kazatomprom.kz.

Any Notice personally delivered or sent by telecopier or other electronic means will be deemed to have been validly and effectively given or delivered on the day on which it was transmitted (if so delivered or transmitted by 5:00 p.m. in the place of receipt, or otherwise on the next day), or if such day is not a Business Day, on the next following Business Day. A Party may change its address for service from time to time by Notice given in accordance with the foregoing and any subsequent Notice will be sent to the Party at its changed address.

13.7 **Set Off**

Any Party shall be entitled at all times to set off any amount owing from another Party against any amount due or owing to such other Party under this Agreement upon mutual consent of the Parties.

13.8 **Governing Law**

The Parties agree that this Agreement is conclusively deemed to have been made under and for all purposes will be construed in accordance with and will be governed by the law of the Republic of Kazakhstan.

13.9 **Enurement**

This Agreement will enure as of the date of execution of this Agreement and be valid and effective till the Parties fulfill their obligations under this Agreement in whole.

13.10 **Amendment and Waivers**

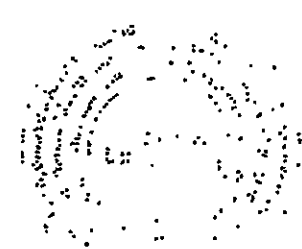
No amendment or waiver of any provision of this Agreement will be binding on a Party unless consented to in writing by such Party. No waiver of any provision of this Agreement will constitute a waiver of any other provision, nor will any waiver constitute a continuing waiver unless otherwise expressly provided.

13.11 **Counterparts**

This Agreement may be executed in two or more counterparts in the English and Russian languages, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. In case of any discrepancies between the Russian and English counterparts, the English counterpart shall prevail.

13.12 **Consultation**

The Parties will consult with each other before issuing any press release or making any other public announcement with respect to this Agreement or the Transactions contemplated hereby, and no Party will issue any such press release or make any such public announcement, unless otherwise required by law, without the prior written consent of the others, which consent will not be unreasonably withheld or delayed.



13.13 **Disclosure**

Prior to any public announcement of the transactions contemplated hereby pursuant to Section 13.12, no Party will disclose this Agreement or any aspect of such transactions except to its board of directors, its senior management, its legal, accounting, financial or other professional advisors and as may be required by any applicable law or any regulatory authority or stock exchange having jurisdiction and, on the basis that such disclosure is not intended for dissemination to the public, to persons to whom such disclosure is reasonably necessary or desirable for such Party to carry out and give full effect to the terms, conditions and intent of this Agreement and such transactions.

13.14 **Confidentiality**

Between the date of signing this Agreement and the Closing Date, the Parties shall maintain in confidence any written, oral or other information obtained in confidence from the other Party in connection with this Agreement, unless 1) such information is already known to such Party or to others not bound by a duty of confidentiality or such information becomes publicly available through no fault of such Party, 2) the use of such information is necessary or appropriate in making any filing or obtaining any consent or approval required for the consummation of the Contemplated Transactions; or 3) the furnishing or use of such information is required by legal proceedings.

13.15 **Transaction Costs**

Each of the Parties will be responsible for all costs (including, without limitation, legal fees, accountant fees, auditors fees, tax consultant fees and other consultant fees) incurred by it in connection with the transactions contemplated by this Agreement.

13.16 **Assignment**

No Party shall be entitled to assign, transfer or otherwise dispose in any manner, in whole or in part, of any of its rights under this Agreement, except with the prior written consent of the other Parties, which consent may be given or withheld in the other Party's sole discretion.

13.17 **Severability**

The illegality, invalidity or unenforceability under applicable law of any provision in this Agreement or of any covenant herein contained on the part of a Party shall not affect the legality, validity or enforceability of any other provision or covenant hereof or herein contained, and such illegal, invalid or unenforceable provision or covenant shall be ineffective only to the extent of such illegality, invalidity or unenforceability under such applicable law. The Parties hereby undertake to renegotiate in good faith, with a view to concluding arrangements as nearly as possible the same as those herein contained, any provisions hereof and covenants herein held by any authority having jurisdiction, to be illegal, invalid or unenforceable.

[SIGNATURE PAGE OVERLEAF]

IN WITNESS WHEREOF this Agreement has been executed by the Parties.

By: **JSC NAC Kazatomprom**

M. Dzhakishev
President

By: **Energy Asia (BVI) Limited**

L. Benjamin

