

**THE 2005 NATIONAL MINING ASSOCIATION (NMA)
NUCLEAR REGULATORY COMMISSION (NRC)
URANIUM RECOVERY WORKSHOP**

**May 24-25, 2005
Executive Tower Hotel, Denver, Colorado**



Uranium Market Update

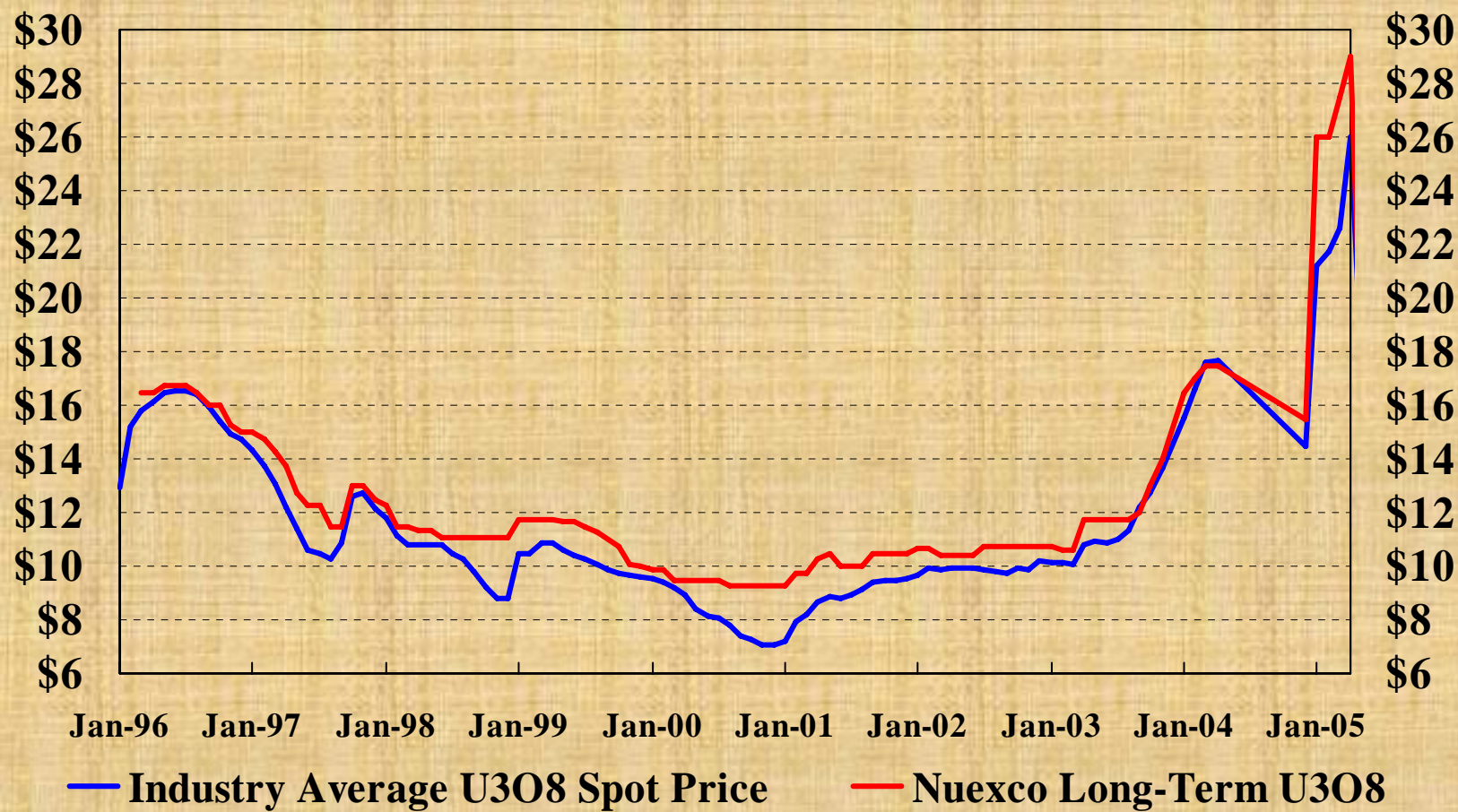
Fletcher T. Newton
Chief Executive Officer
Power Resources, Inc.



A member of the Cameco group of companies

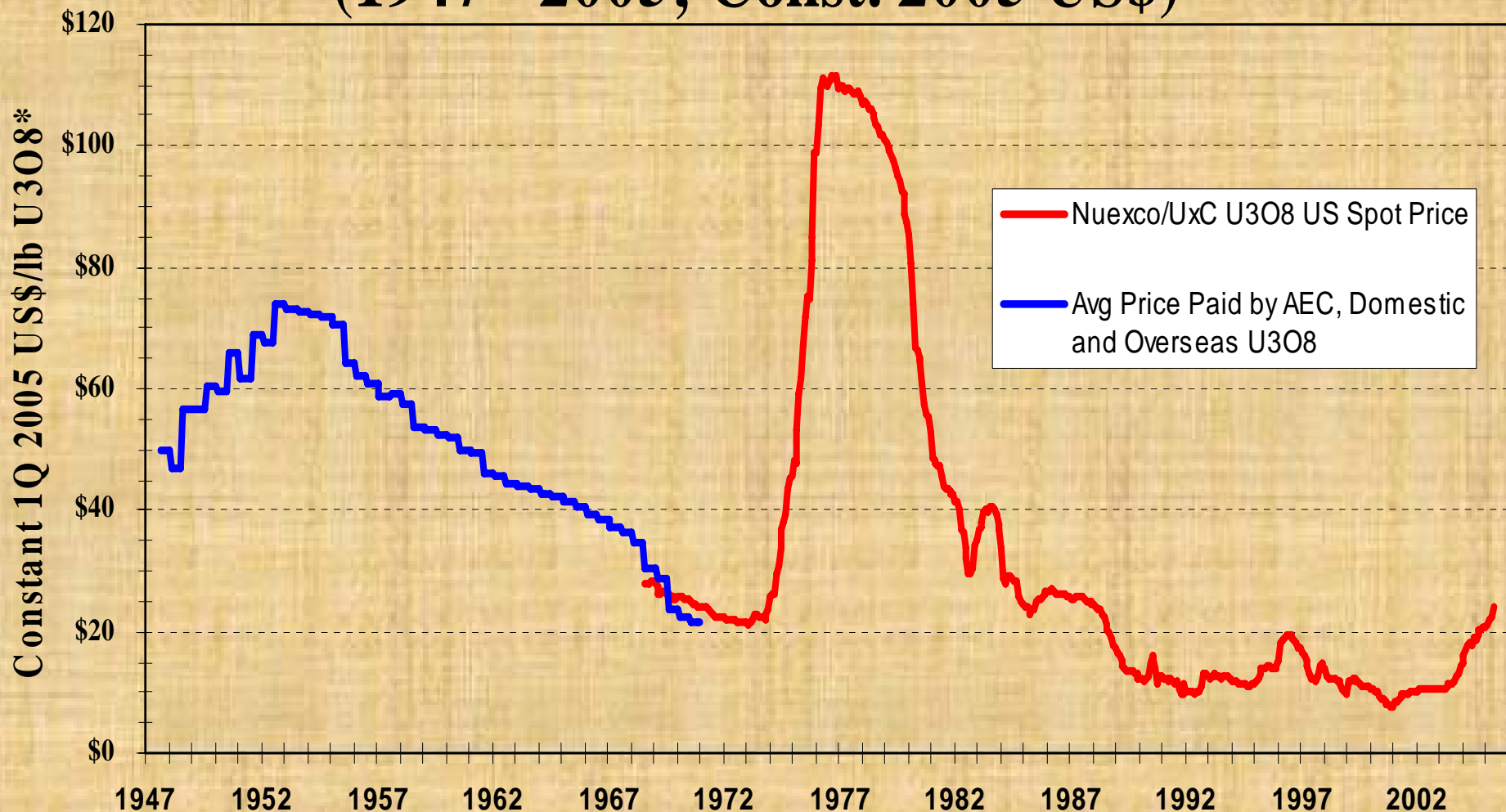
U_3O_8 Price 1996 – 2005 (April)

US \$/lb U_3O_8



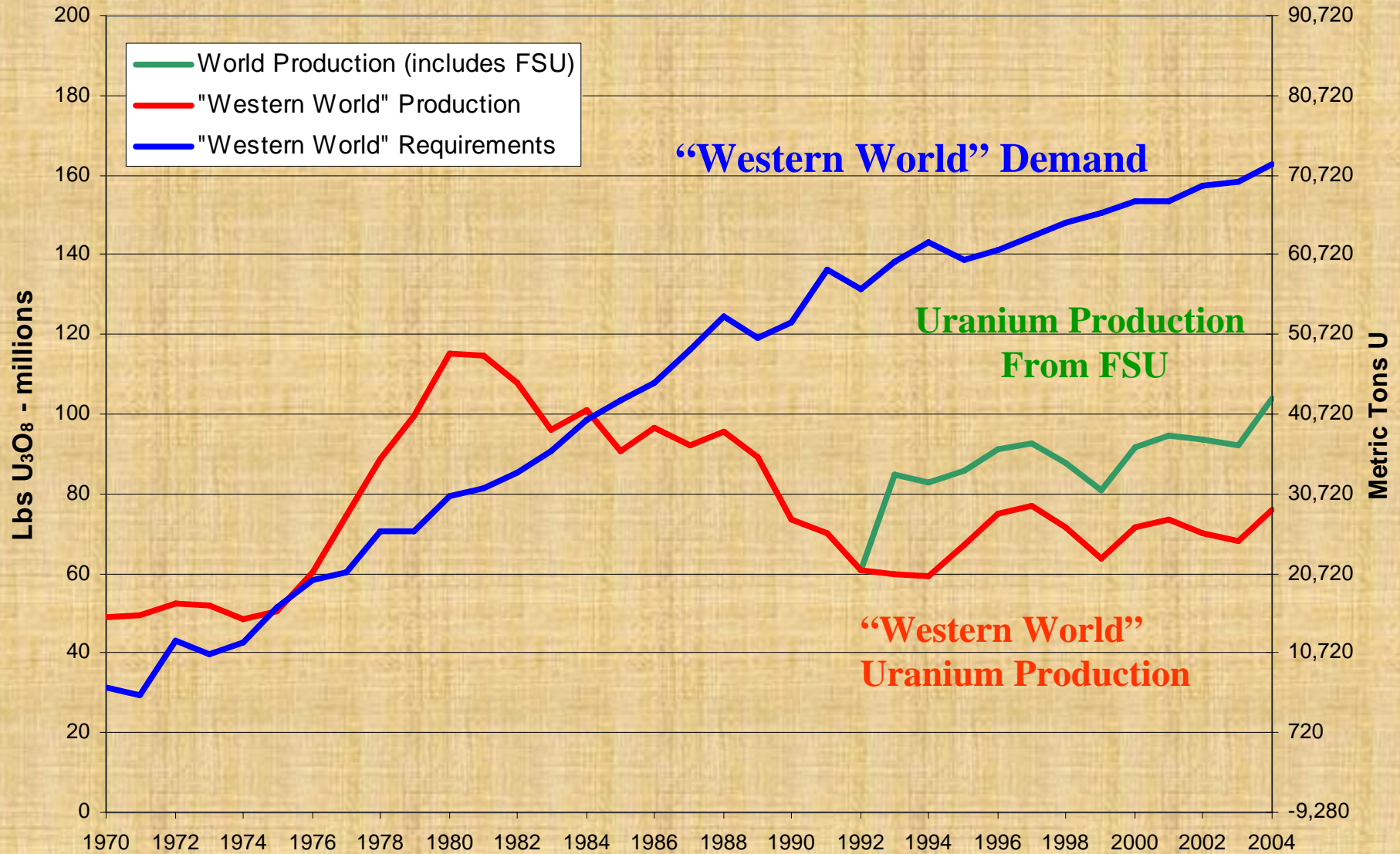
URANIUM PRICE HISTORY

(1947 - 2005; Const. 2005 US\$)



*Adjusted by U.S. GDP IPD

Uranium Market
U₃O₈ Production vs Demand
(Million lbs. U₃O₈ and Metric Tons U)



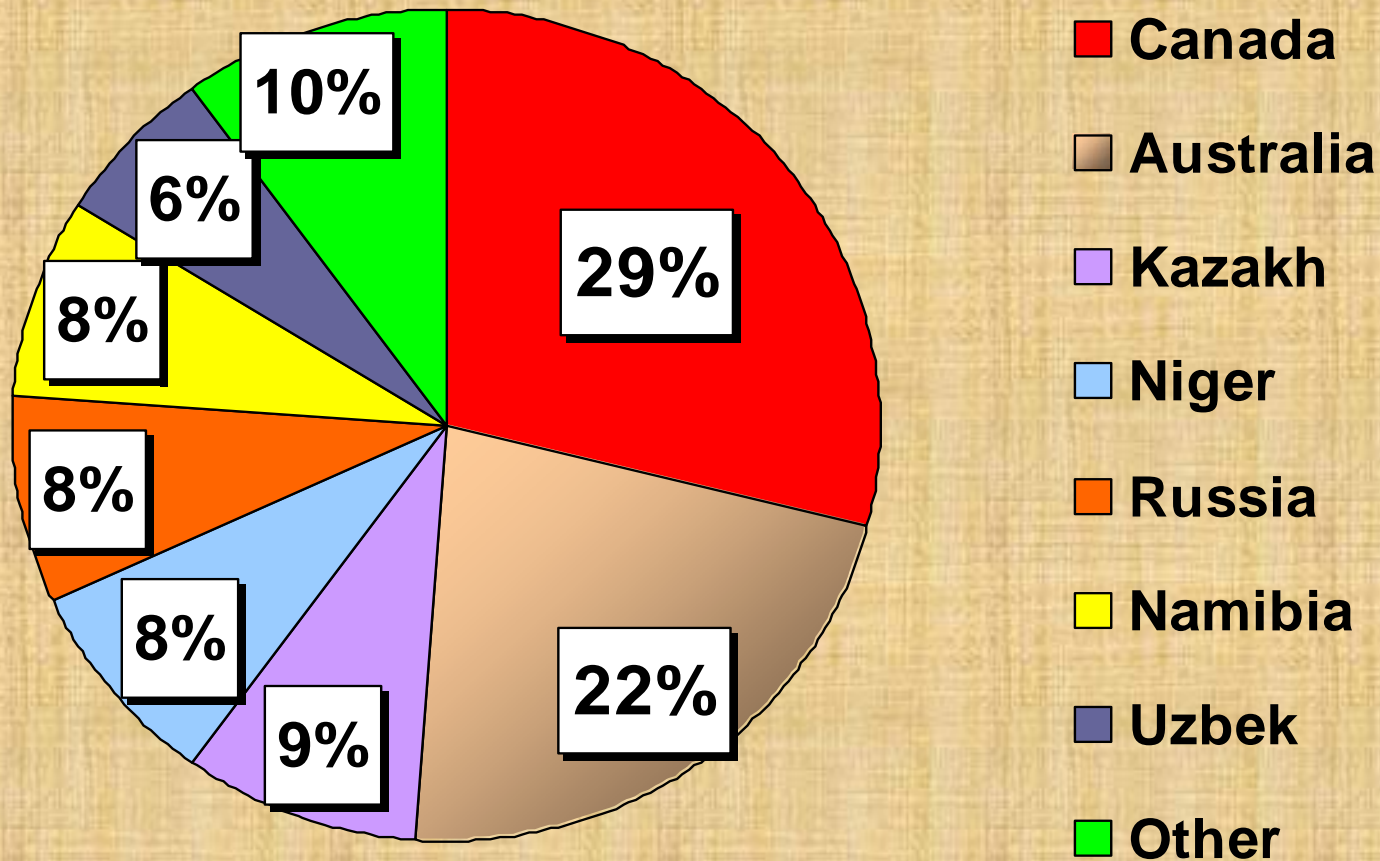
WORLD URANIUM REQUIREMENTS & WORLD URANIUM PRODUCTION (POUNDS U₃O₈ equivalent)

Year	WESTERN WORLD DEMAND	WESTERN WORLD PRODUCTION	FORMER SOVIET UNION (FSU) PRODUCTION	DIFFERENCE
1970 - 1984	720.5	1,159.7	0.0	439.2
1985 - 2004	2,624.1	1,501.6	183.5	-939.0
TOTALS	3,344.6	2,661.3	183.5	-499.8

Uranium Market

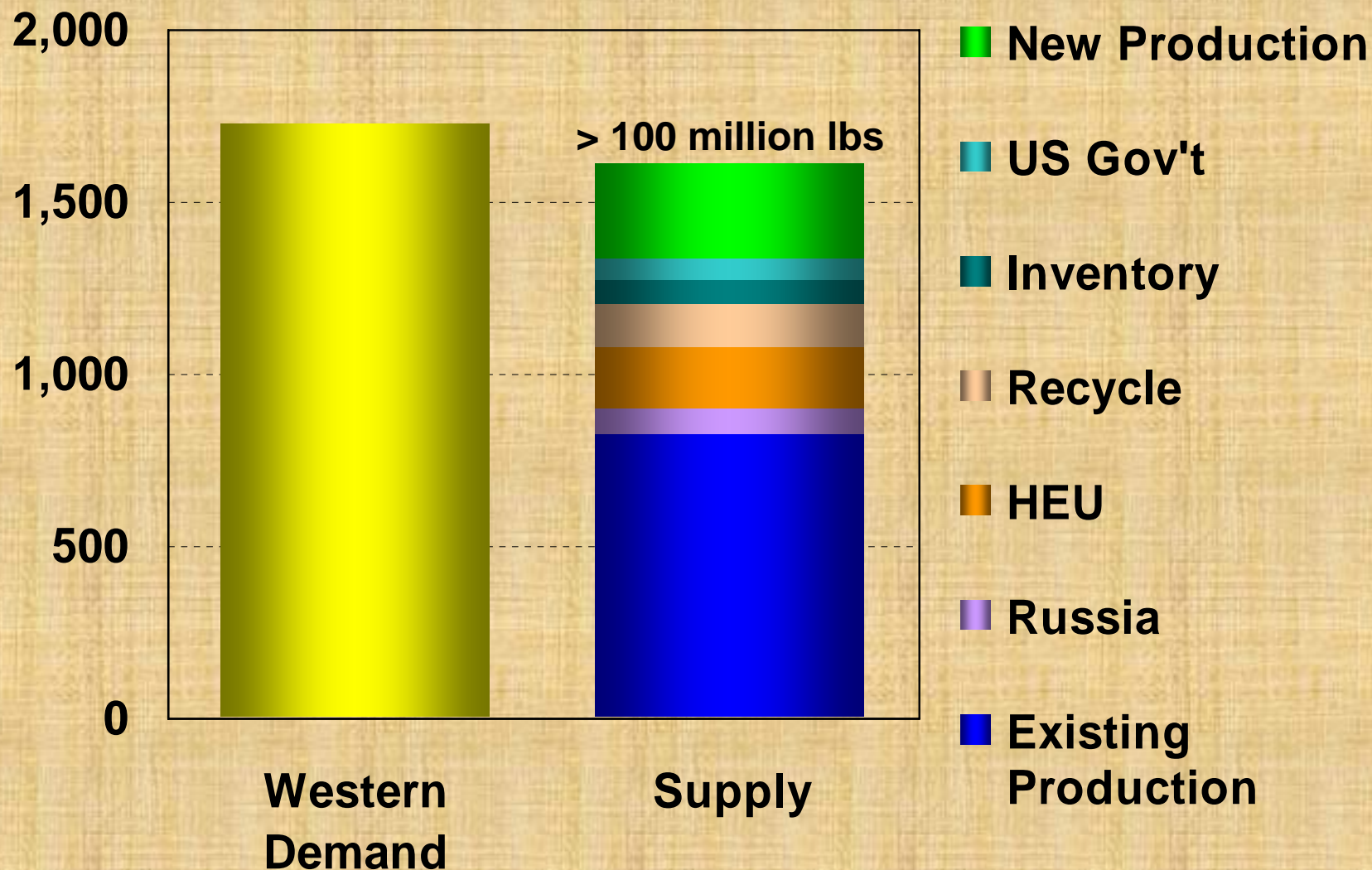
104 million lbs U_3O_8

2004 World Uranium Production Estimate



U_3O_8 Supply/Demand: 2005-2014

Million lbs U_3O_8



Total US Electricity Net Generation (2004)

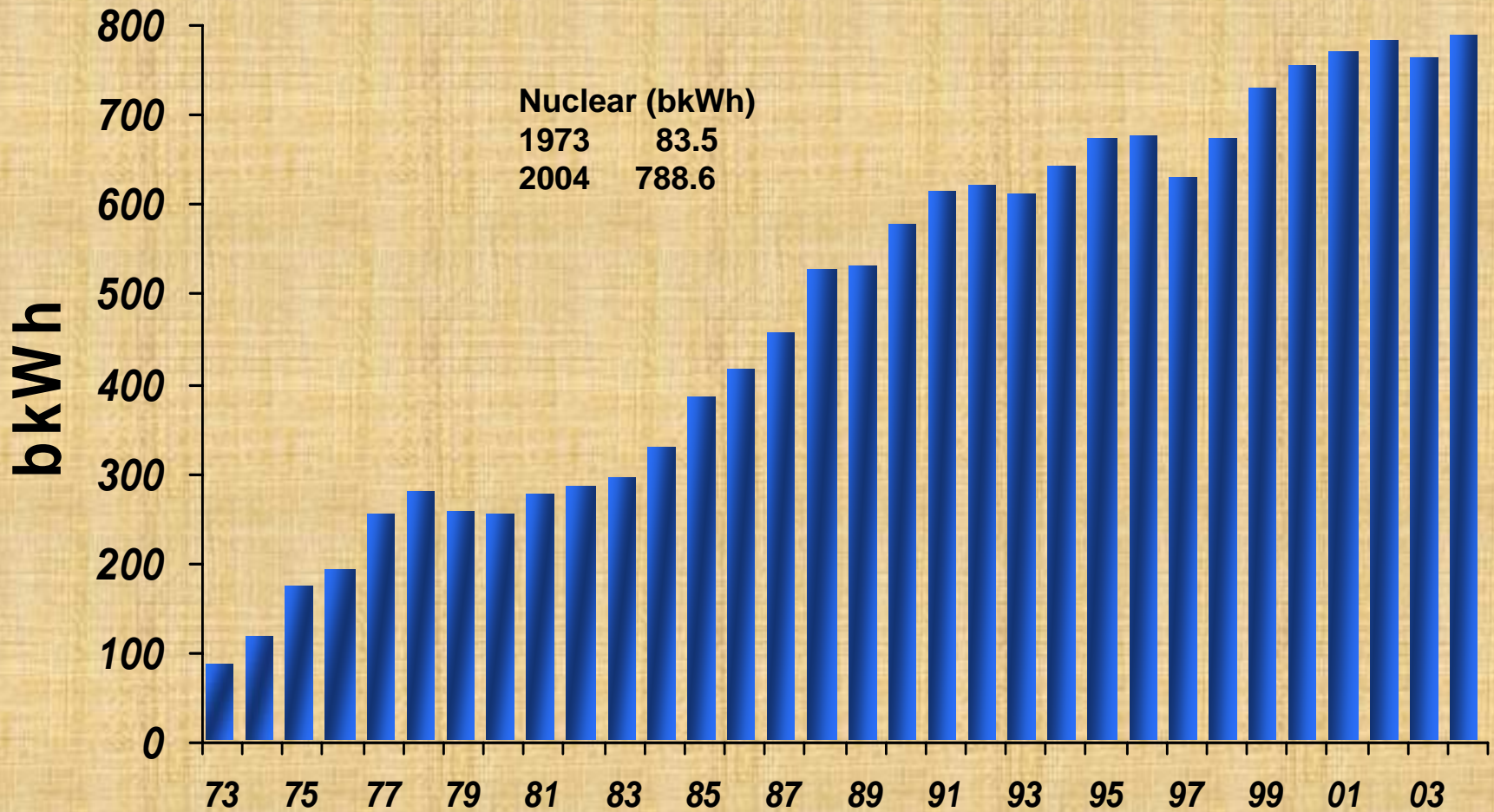
<i>2004 Total Utility Generation (bkWhrs) (Percent %)</i>			
19.9	Coal	1976.3	50.0
	Petroleum	117.6	3.0
	Natural Gas	699.6	17.7
	Nuclear		788.6
	Hydroelectric	261.5	6.6
	Renewables	<u>109.8</u>	<u>2.8</u>
	Total	3,953.4	100.0

2004 Total Generation 3,953.4 bkWhrs

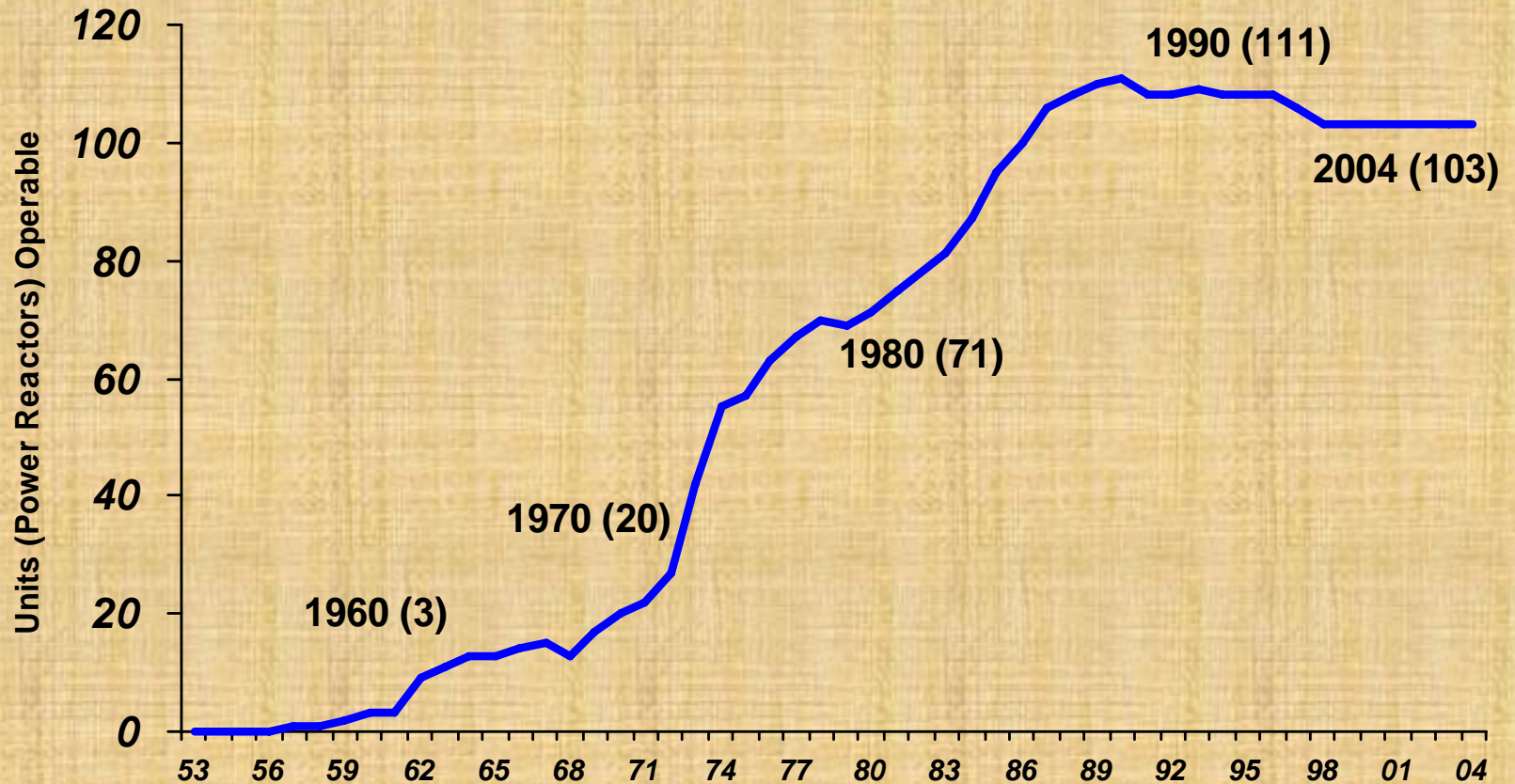
US Electricity Generation Fuel Shares (1973 vs 2004¹)

Fuel Type	1973	2004
Nuclear	4.5%	19.9%
Coal	45.6%	50.0%
Oil	16.9%	3.0%
Gas	18.3%	17.7%
Hydro	14.6%	6.6%
Other	0.1%	2.8%

US Nuclear Industry Net Electricity Generation (1973-2004)



Operable US Nuclear Power Plants (Units) (1953-2004)

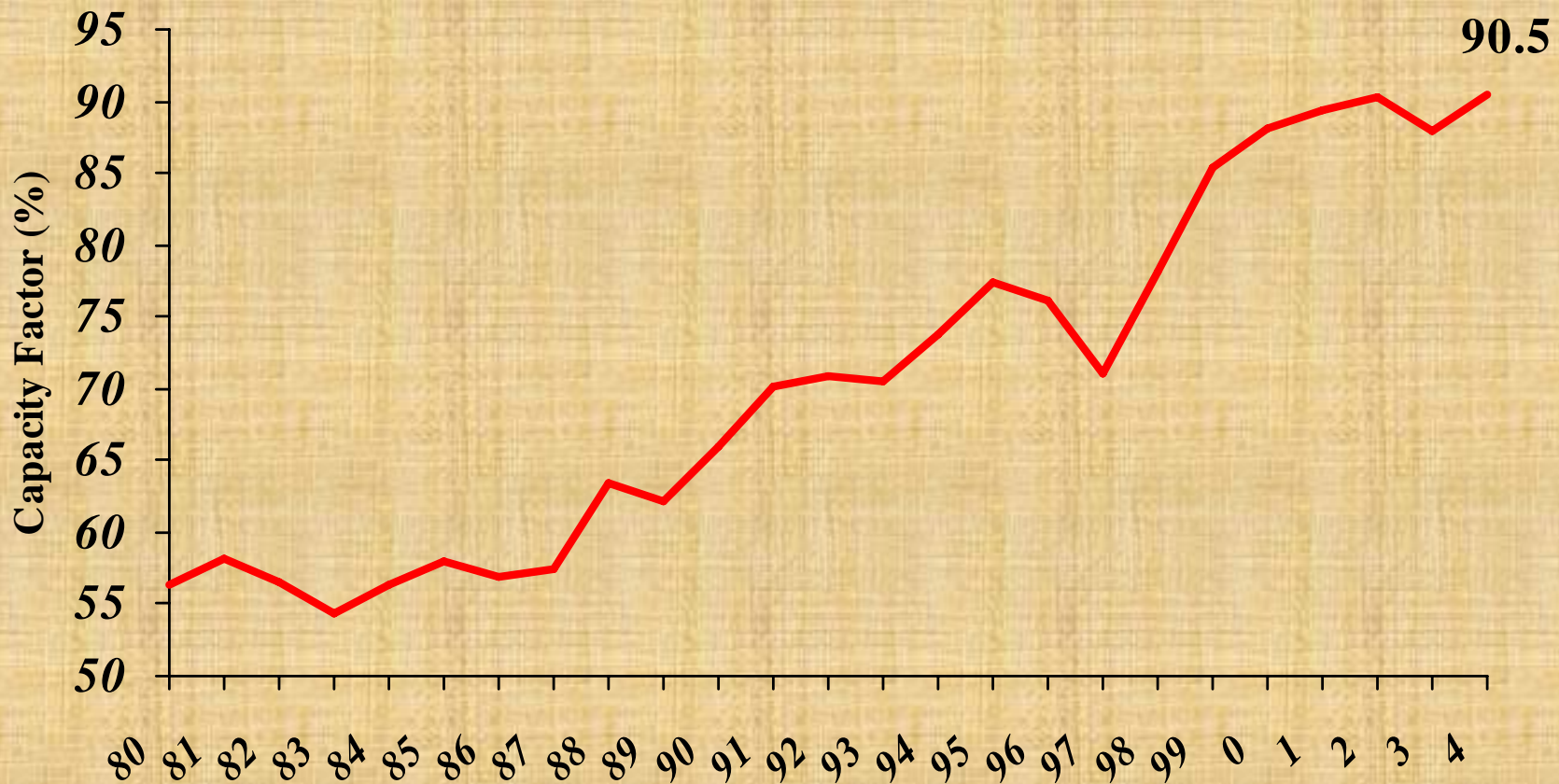


¹ Total of units holding full-power licenses, or equivalent permission to operate, at the end of the year.

U.S. Capacity Factors by Fuel Type

Fuel Type	Average Capacity Factors (2004)
Nuclear	90.5%
Coal	70.8%
Gas (Combined Cycle)	38.2%
Gas (Steam Turbine)	16.6%
Oil (Steam Turbine)	26.2%
Solar	22.4%
Hydro	29.6%
Wind	32.1%

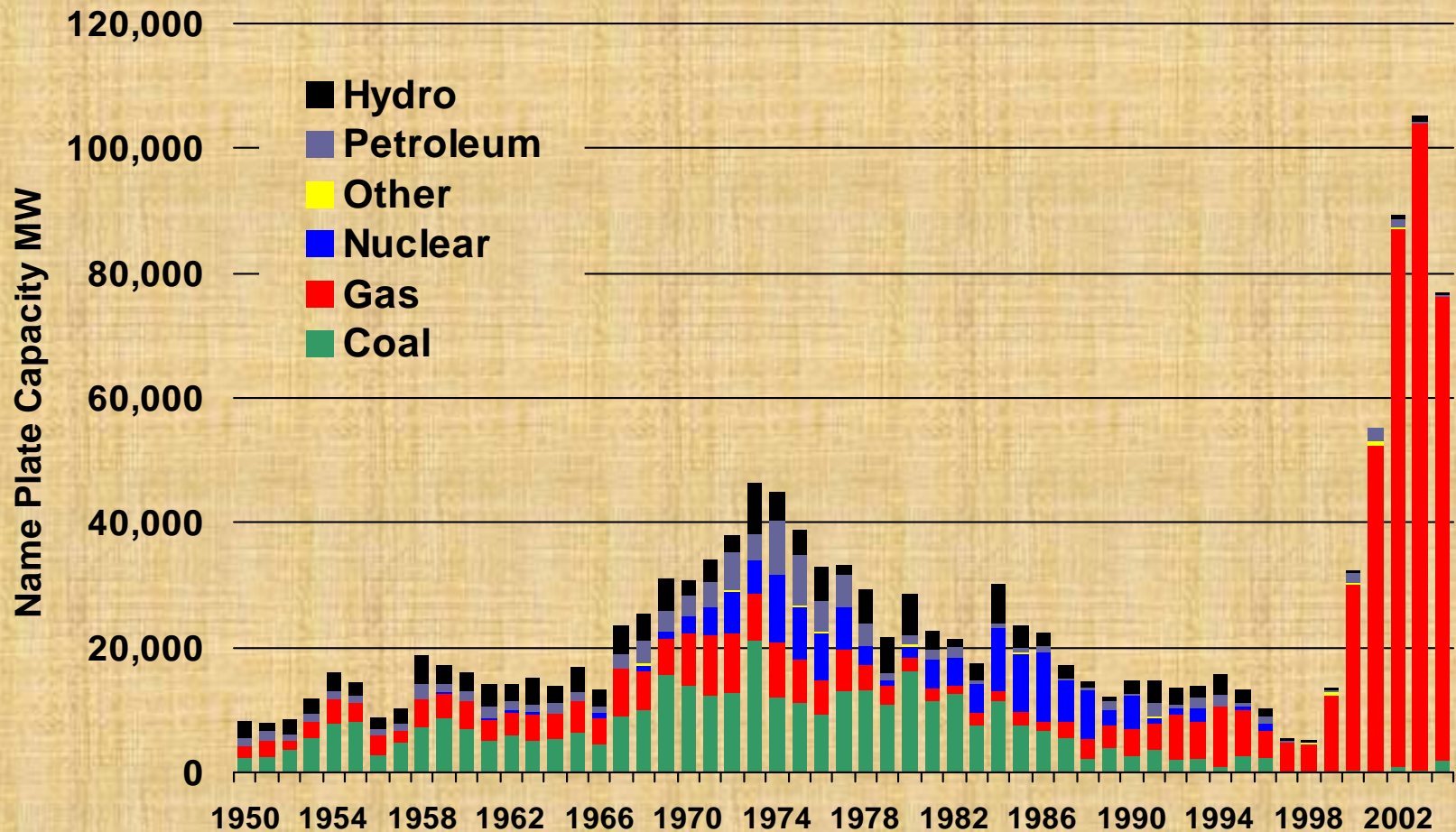
US Nuclear Industry Is Achieving Record Levels of Performance (1980-2004)



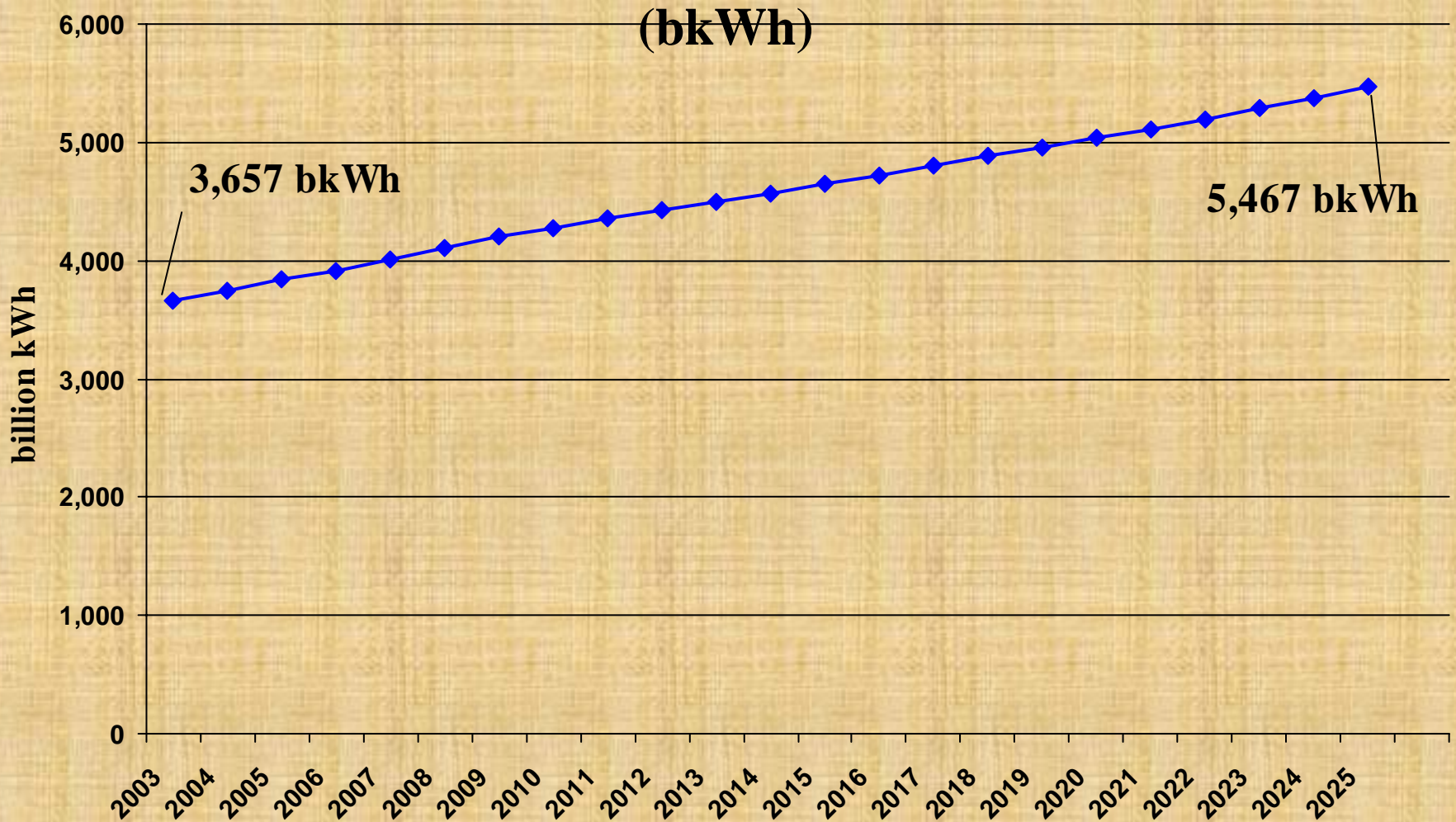
Source: EIA – Updated 4/05



Capacity Brought on Line by Fuel Type (1950-2004)

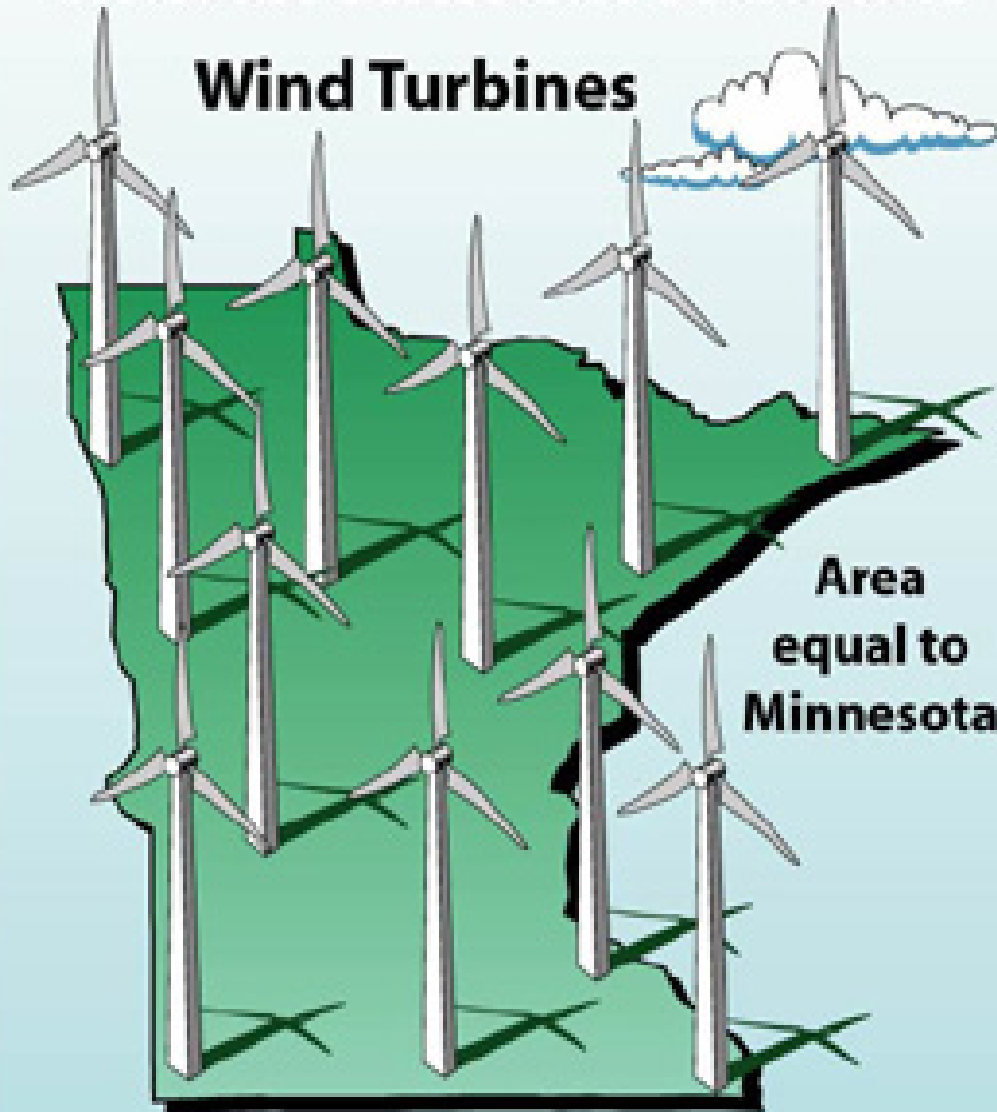


Projected U.S. Electricity Demand 2003-2025



Land Needed by Wind or Solar Energy to Match Annual Nuclear Energy Production*

Wind Turbines



**Area
equal to
Minnesota**



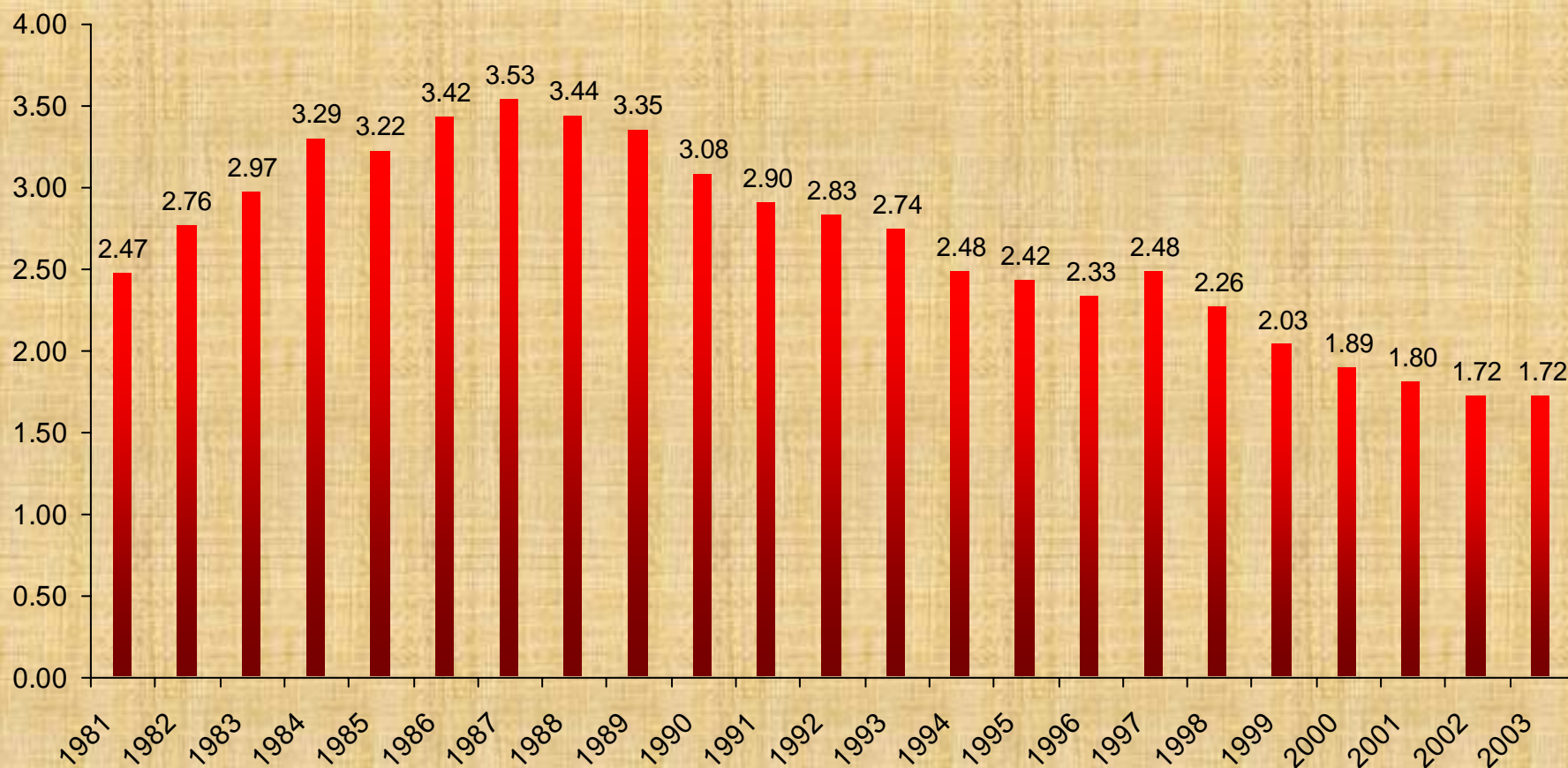
Solar Cells



**Area
equal to
West Virginia**

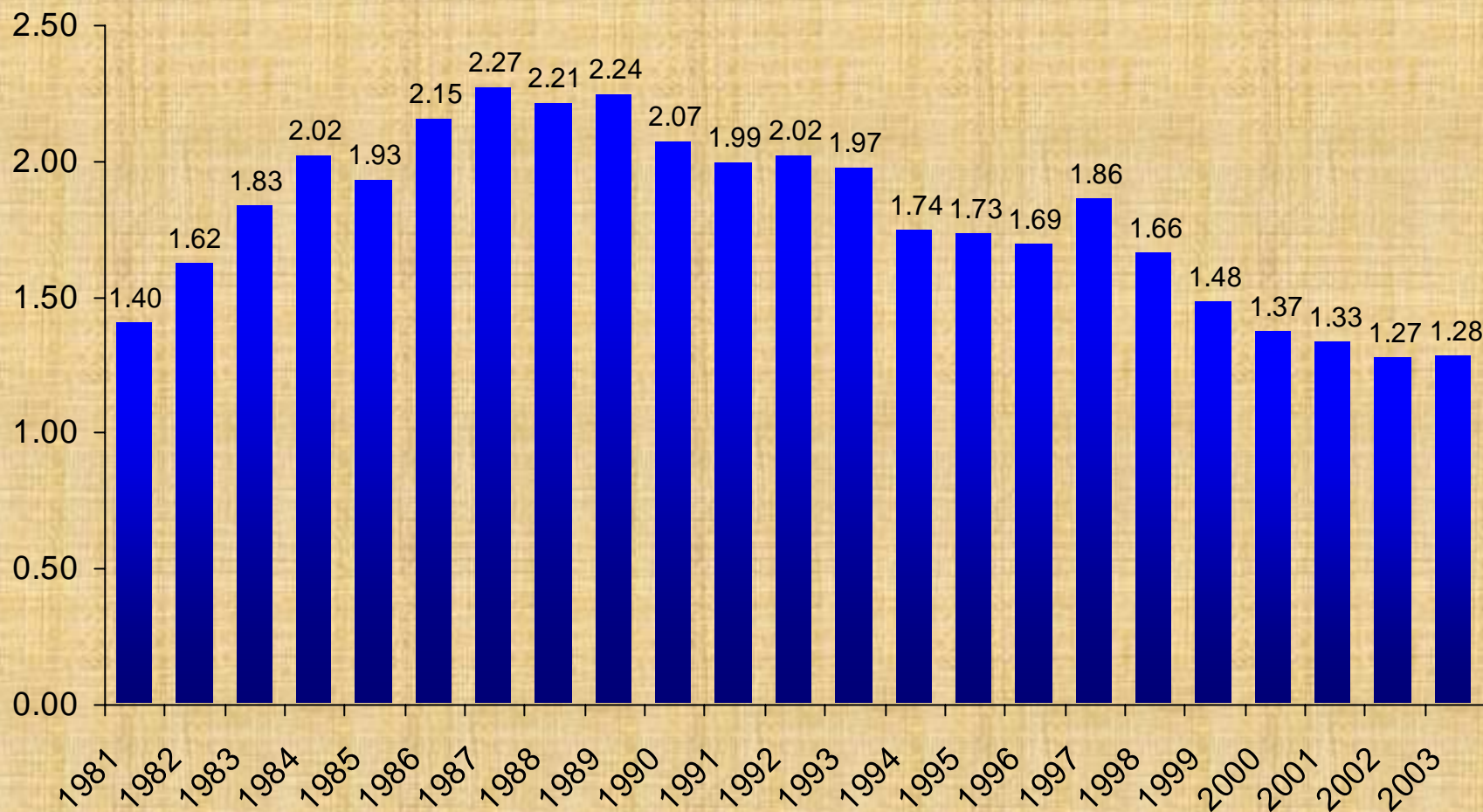
* 768 billion kilowatt-hours

Average US Nuclear Industry Production Costs (1981-2003) *(in 2003 cents per kilowatt-hour)*



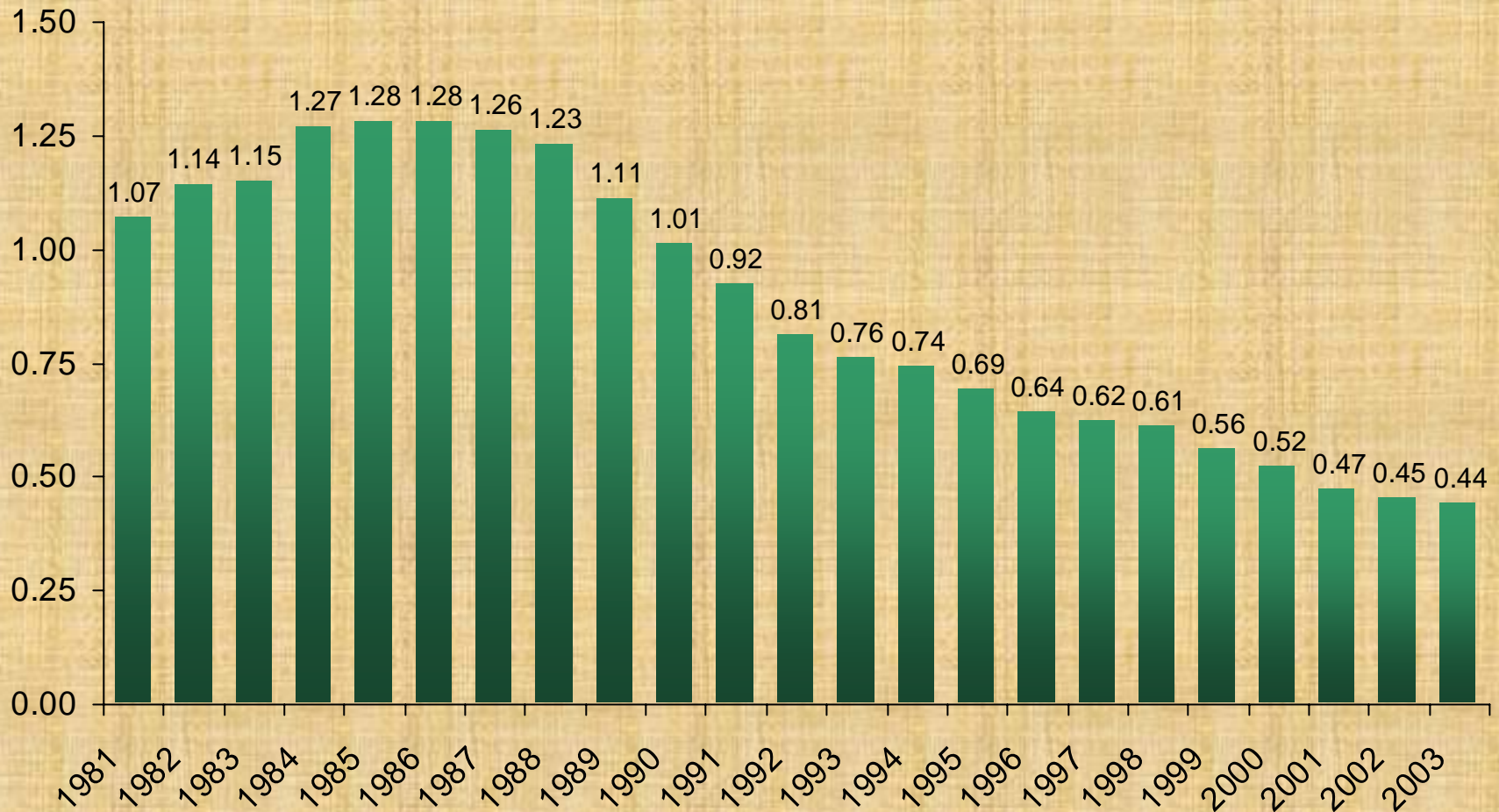
Average US Nuclear Industry Non-Fuel O&M Costs (1981-2003)

(in 2003 cents per kilowatt-hour)

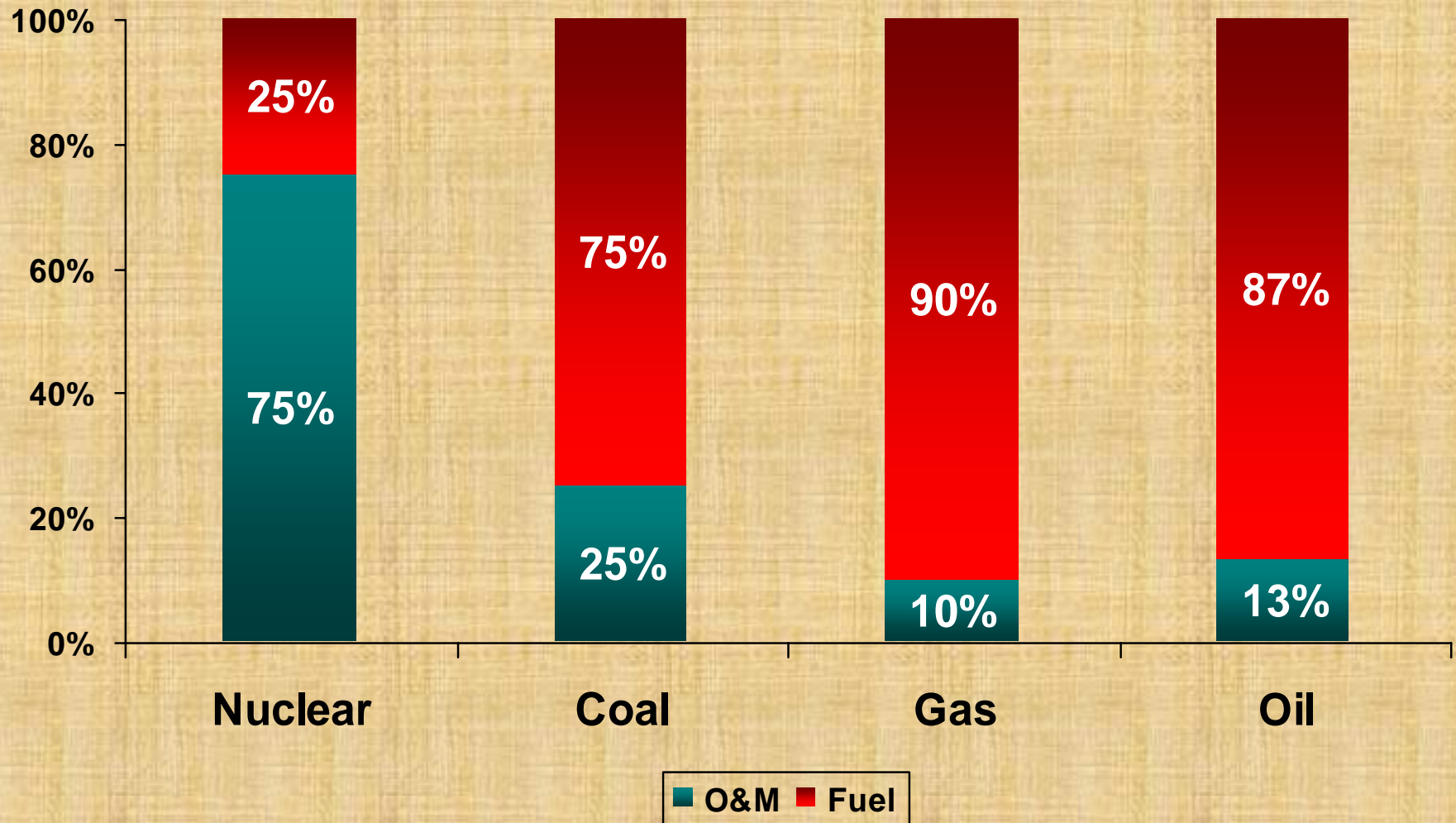


Average US Nuclear Industry Fuel Costs (1981-2003)

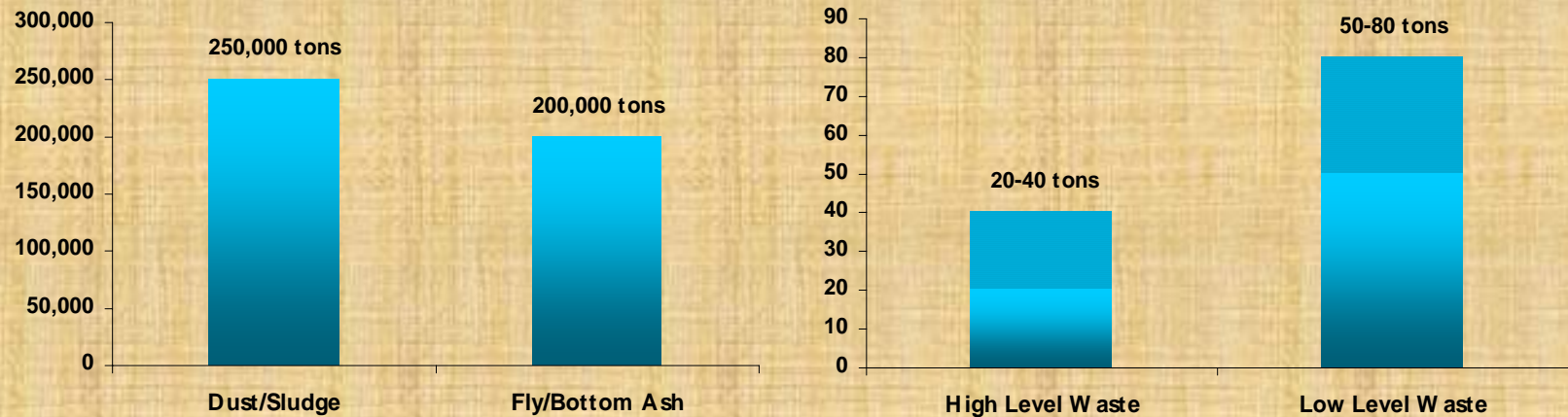
(in 2003 cents per kilowatt-hour)



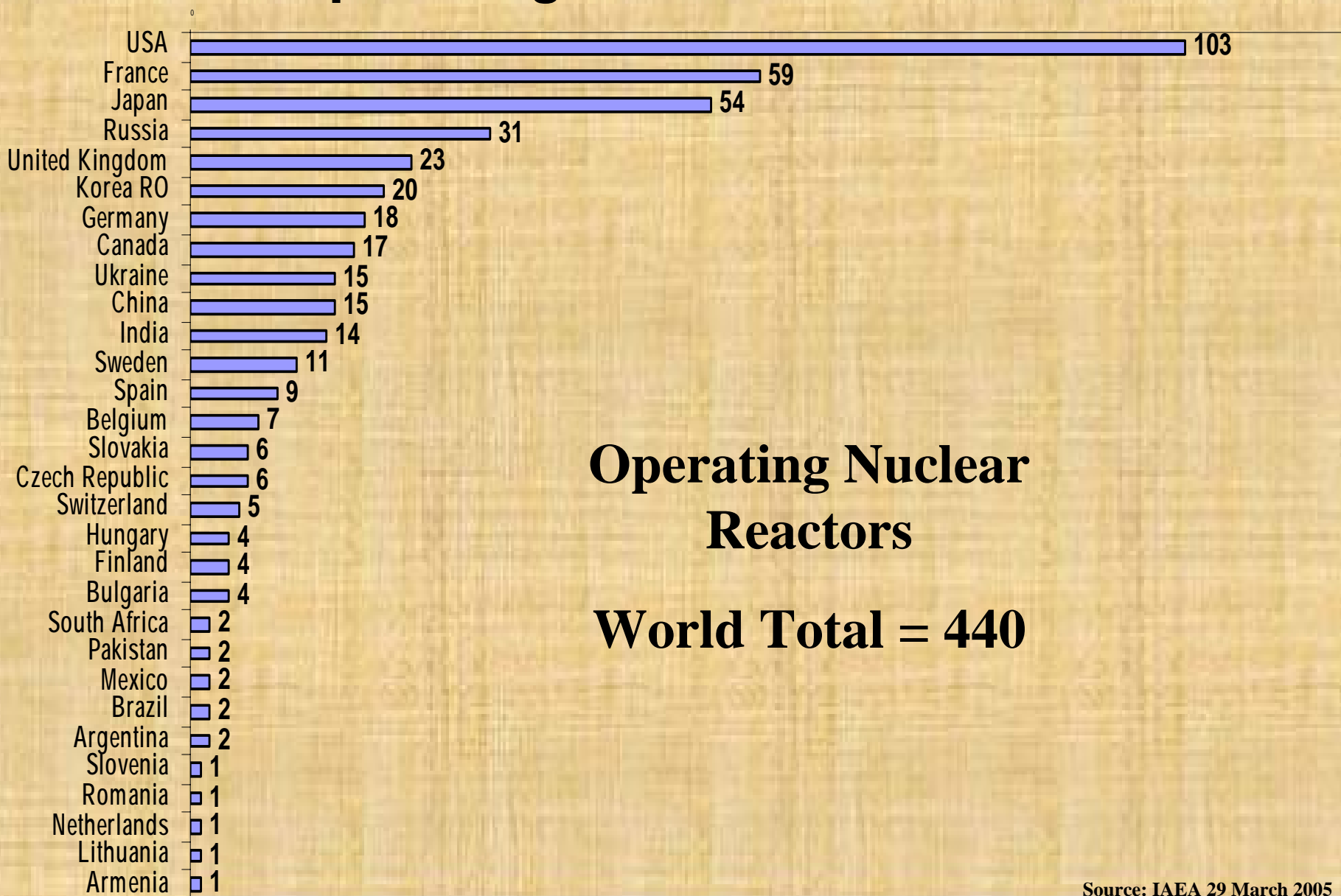
Fuel as a Percentage of Electric Power Industry Production Costs (2003)



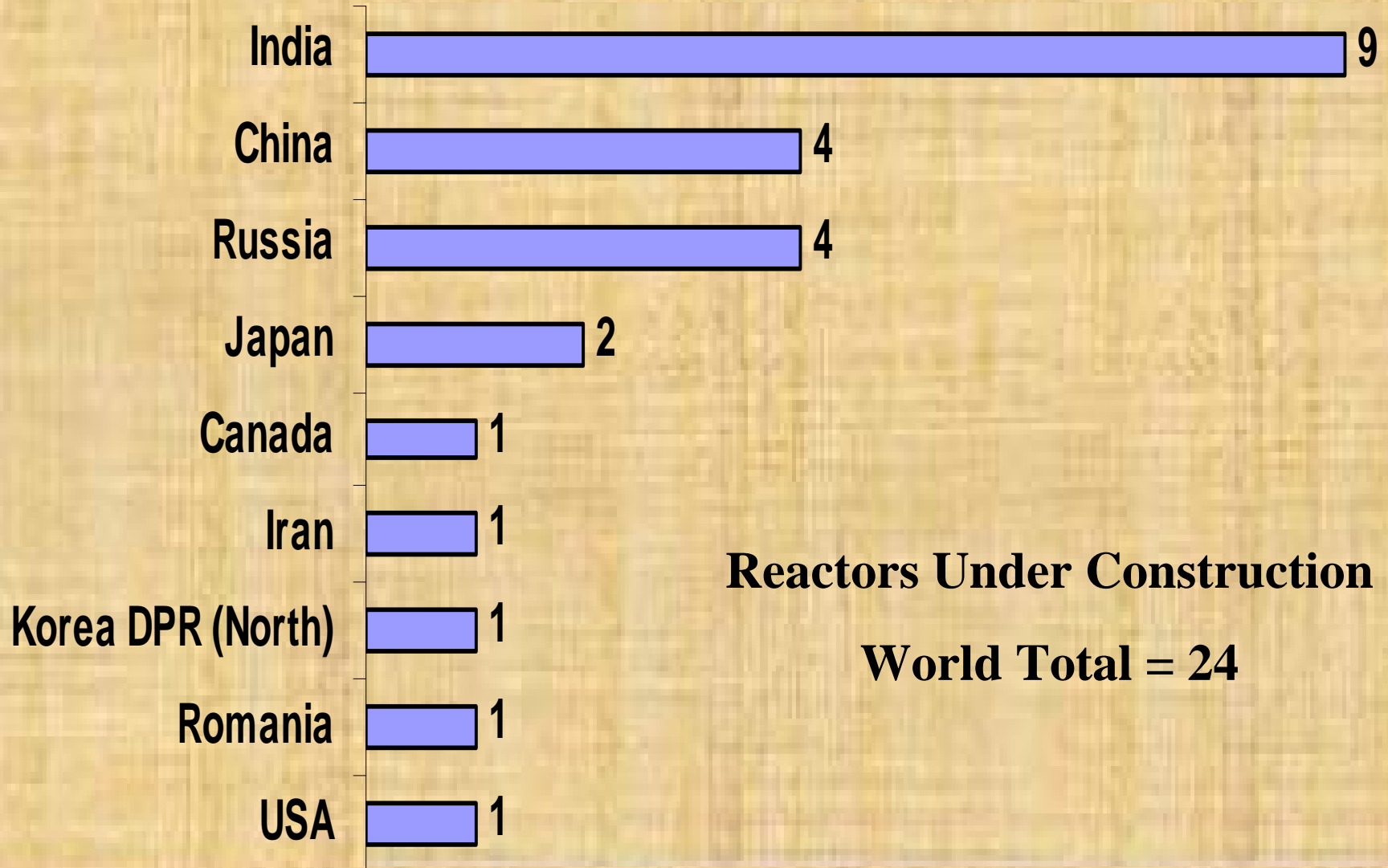
Waste Generated by a 1,000 MW Coal Plant (Tons/Yr) Compared to Waste Generated by a 1,000 MW Nuclear Plant (Tons/Yr)



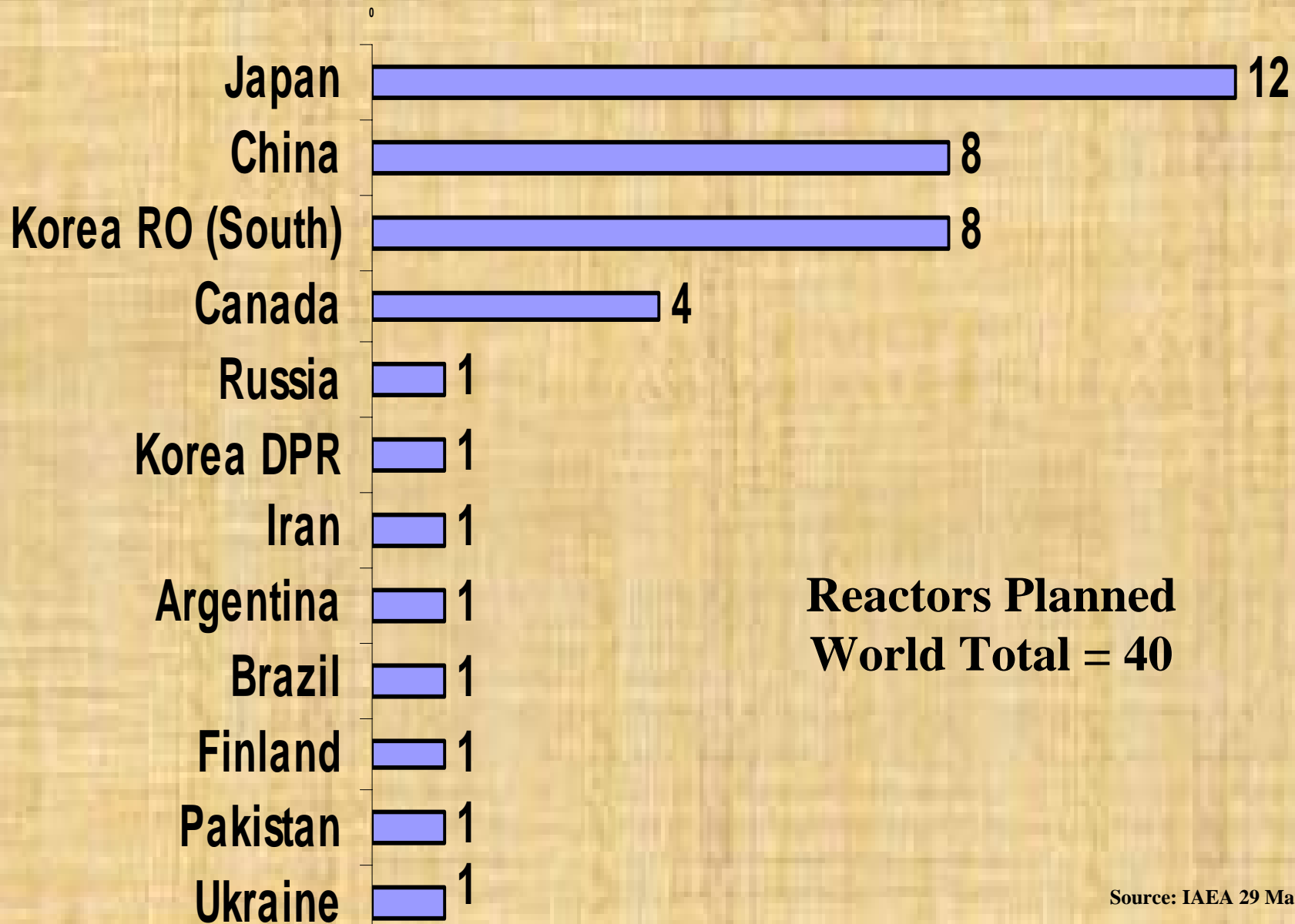
Operating Nuclear Reactors



Nuclear Reactors Under Construction



Nuclear Reactors Planned





Credits & Sources:

Nuclear Energy Institute (NEI)
U.S. Department of Energy (DOE)
Energy Information Administration (EIA)
World Nuclear Association (WNA)
The Ux Consulting Company, LLC (UxC)
International Atomic Energy Agency (IAEA)



A member of the Cameco group of companies