



Year-End Shareholder Update

November 12, 2012



GoviEx Chairman Govind Friedland celebrating another discovery with geologic field team in 2012



GoviEx Aberghas Field Camp located at Madaouela; fieldteam at rest under the shade (Summer 2012)



YEAR-END UPDATE HIGHLIGHTS:

- **NEW CHIEF EXECUTIVE OFFICER APPOINTED**
- **CORE EXPLORATION LICENSES RENEWED FOR 3 YEARS**
- **PRE FEASIBILITY STUDY ON TRACK FOR COMPLETION IN Q1 2013**
- **BOARD STRENGTHENED BY ADDITIONAL NON-EXECUTIVE DIRECTORS**

Dear Shareholders,

This has been a very exciting year for the company. As you know, in April, we closed an important and significant \$40mm strategic financing with Toshiba Corporation, one of the world's largest suppliers of nuclear power reactors. The Toshiba investment was a vote of confidence for our team, our project and our company, and we have been working very hard since then to continue that forward momentum.

As 2013 approaches, I would like to share my thoughts with you on the steps we are taking to ensure that we position the company to increase shareholder value in the upcoming year. We have achieved significant progress on the ground in Niger and have greatly strengthened the management and board of directors by attracting industry leaders as highlighted below.

As we continue to develop our world-class uranium assets in Niger, I firmly believe we are uniquely positioned to emerge as a leading uranium exploration and development company.

Daniel Major appointed Chief Executive

In early November, Daniel Major was appointed Chief Executive Officer following a successful due diligence site trip to Niger to review the Madaouela Project. Mr Major is a 47 year-old Mining Engineer from the Cambourne School of Mines in the U.K., and his career spans over 25 years in the mining industry. He has an impressive technical and financial track record starting with Rio Tinto at Rossing Uranium in Namibia and later as a mining analyst with HSBC and then JP Morgan in London. Mr. Major also has significant management and leadership experience serving first as Chief Executive and then later as Non-Executive Chairman of Basic Element Mining and Resource Group in Russia. Most recently Mr Major held executive leadership positions in several Canadian listed mining companies with exploration and producing assets in Canada, Russia and South America.

Mr Major is now firmly embedded as the leader of the company's operations and oversees all of the company's employees and subcontractors that are now approaching 500 people in Niger. He is also responsible for managing the international mining consultants and subcontractors SRK, our new drilling contractor GeoDrill, SGS Labs, Mintek, and now Bateman Engineering (EPCM).

We are incredibly excited to welcome Mr Major to the company and we look forward to updating the shareholders on the successes to come under his leadership.

Madaouela and Anou Melle core exploration licenses renewed for 3 years

This month the Niger Ministry of Mines approved the company's renewal applications for all five of our core exploration licences at Madaouela and Anno Melle, located near Arlit in the heart of Niger's

uranium producing mining district. These renewals were consistent with and subject to the 2006 Niger Mining Code and provide for a further 36 month exploration period that will permit the company to continue its exploration and pre-development field work before submitting a mining licence application following the finalization of a positive feasibility study.

Madaouela Project Pre Feasibility Study (PFS) on track for completion in Q1 2013

GoviEx has a number of consultants and subcontractors focused on continued on-site evaluation and test work, and the company's PFS is scheduled for completion in Q1 2013. To date no issues have arisen in the test work and analysis that would negatively alter the expectations contained in the PEA. The comments below summarize the current status of the project.

- **All work completed to-date in line with 2011 PEA or better**
- **Resource confidence improved with conversion inferred to indicated resources**
- **New mineralization found within Madaouela formation**
- **Mineable "reserves" defined at Miriam**
- **Metallurgy test-work confirms PEA assumptions with recoveries up to 90%**
- **Process work focused on optimization and preliminary design work**
- **Mine design underway with underground and open pit options being reviewed**
- **Hydrology initial works support sufficient water supplies with ongoing studies**
- **Environmental studies ongoing with positive initial social feedback**

Geology

The company's exploration program in 2012 focused on upgrading the mineral resources by converting them from inferred to indicated. The company has been successful in achieving this objective with the ratio indicated to inferred improving from 1:1 to 5:1, and this has significantly improved the geological confidence in the PFS currently underway.

Other exploration successes achieved in the period have been:

- Recent infill drilling produced a discovery of a higher-grade core, approximately 50m in width and running the length of the Miriam deposit. These drill holes recorded some of the highest GT intersections seen to date in the company's exploration program. The impact of this higher-grade zone will be reported once the geological model is updated as part of the PFS.
- Applying the company's structured exploration model led to the discovery of uranium mineralization from within the Madaouela formation itself. Interestingly this mineralization is situated in the Madaouela sandstone, where no uranium was previously believed to occur, as it is stratigraphically above all the other regional mineralization. This opens the way for more discoveries on the company's permits and in the basin.

Metallurgy

The company's PFS scale metallurgical test work has been ongoing at the Mintek facilities in Johannesburg. Results received to date indicate that both the acid pugging and curing or two-stage acid leaching can provide recoveries of up to 90%, and an option to consider heap leaching appears viable given leach test recoveries of on average 80%.

The company has now engaged Tenova Bateman Group to provide an Order of Magnitude capital and operating cost study for the PFS that will consider a number of alternative process routes in order to conduct and review economic optimisation.

Mining

SRK Consulting in Cardiff have commenced mine design and scheduling based on underground low profile room and pillar mining at Marylinn/Marianne and open pit mining at Miriam, and assuming planned production rates of 1.8 million tonnes of ore per annum.

Hydrology

Hydrology test work is focused to ensure continuity of local water supply. Work completed to date has highlighted two different water regimes on either side of the Madaouela fault, and indications are that aquifer water supply should be sufficient to meet mineral processing requirements. Confirmatory drilling and test-work is on-going.

Environmental

The company is midway through its Environmental Baseline Study that is required to complete a Definitive Feasibility Study and to date no fatal flaws have been reported as part of the PFS. Social and community engagement is underway and the local Tureag groups have been engaged. Initial indications are they are largely in favour of the potential development of the project. The next steps are the completion of the baseline data collection in April 2013, and Environmental and Social Impact Assessment completed by Q4 2013.

Board of Directors strengthened by appointment of four non-executive directors

In a move to strengthen the company's governance of operational capabilities, the company recently appointed Dr Rachid Benyakhlef, the Hon. Robert Hanson, Mr Benoit LaSalle and Mr David Marsh as independent non-executive directors.

The company now has a majority of independent directors (6 out of 8) and complies with Canadian securities regulations best practices on corporate governance.

Dr Rachid Benyakhlef is a PhD mining engineer holding dual Moroccan and French citizenship. He has 29 years of experience in the mining industry covering exploration, engineering, project development, mining and operations. He successfully developed several mines in North and Sub-Saharan Africa including hydrometallurgical process designs. He has served as CEO of mining and building materials companies for the last 13 years and also as board member of several industrial and publically traded mining companies. Dr Benyakhlef currently serves as the General Manager at Lafarge Cement based in Paris.

Dr. Benyakhlef's recruitment and appointment was made, in part, to design, implement and chair a newly-formed Technical Committee of the board of directors with a mandate to analyse in detail all major technical decisions related to company.

The Honourable Robert Hanson was recently appointed Chairman of the company's Human Resources and Compensation Committee bringing valuable entrepreneurial expertise to the board.

Mr Hanson serves as the Chairman of Hanson Capital Investments Ltd, Strand Hanson Ltd., Sinojie Hanson and Hanson Family Holdings Ltd. (formerly Hanson Transport Group Limited), and is also Managing Partner of Millennium Hanson Internet Partners. He was Chairman of Hanson Westhouse Limited until April 2009 and an Associate Director of N.M. Rothschild & Sons, serving in London, Hong Kong, Chile and Spain. Mr Hanson previously served on the board of directors of Hanson Plc, and was primarily responsible for strategy including mergers and acquisitions. Mr Hanson has also been an independent non-executive Director of several publically listed mineral exploration and mining companies based in Asia. He is a trustee of the Hanson Foundation and a founding trustee of the Raisa Gorbachev Foundation fighting child cancers and a member of the Institute of Corporate Directors.

Mr Hanson's strong background in both well-established and early stage entrepreneurial enterprises greatly enhances the board through his leadership as Chairman the Human Resources and Compensation Committee.

Benoit La Salle FCPA, FCA, has replaced Jean Lamarre as SEMAFO Inc.'s representative on the board. The board is grateful to Mr. Lamarre for his contribution and tenure since 2008 and welcome's Mr LaSalle to the board and to the Audit Committee. Mr La Salle has 17 years of experience in the development and operation of mining projects in West Africa. In 1995, he founded Canadian-based SEMAFO Inc., a successful gold producer in West Africa including Niger. He served as President and CEO of SEMAFO Inc. from its inception until August 2012. Mr La Salle is currently Executive Vice-Chairman of the Board of SEMAFO Inc., President and CEO of SEMAFO Energy and Chair of the SEMAFO Foundation. In 1980, Mr La Salle founded La Salle & Associates, Chartered Accountants. He has served on the boards of several public companies and is the former Chairman of the Board of Plan International Canada, one of the world's largest non-governmental organizations. Mr La Salle is a Fellow Chartered Accountant, a member of the Quebec Order of Chartered Accountants and the Canadian Institute of Chartered Accountants. Mr La Salle holds a Bachelor of Commerce degree from McGill University and a Master of Business Administration degree from IMEDE, Switzerland.

Mr La Salle is also the Chairman of the Board of Directors of the Canadian Council for Africa. The Canadian Council for Africa's mission is to enhance economic development in Africa and includes members from small and large Canadian companies, academic institutions and government agencies at federal and provincial levels.

Dave Marsh, FAusIMM (CP), was recruited to join to the Technical Committee of the board of directors. Mr Marsh brings over 30 years of experience in the metallurgical and mineral processing industries having worked extensively throughout Africa as well as Australia and Canada. He has 18 years' of experience with large EPCM companies (including GRD Minproc and Fluor Daniel), during which time he managed numerous process and engineering design teams, bankable feasibility studies and project development/ implementation activities. More recently Mr Marsh spent 5 years with Paladin Energy in Perth as General Manager - Technical Projects Development, where he worked extensively on the design, implementation and optimisation of their modern uranium recovery plants in Namibia and Malawi. He also managed numerous internal feasibility and pre-feasibility studies as well as maintaining a strong technical association with both operations. Mr Marsh received his BSc (Hon's) in Mineral Processing from the University of Leeds, in the United Kingdom in 1980 and is also Fellow of the Australian Institute of Mining and Metallurgy.

Mr Marsh's participation on the Technical Committee together with Committee Chair Dr Benyakhlef, Mr Major, CFO Pierre Masse, a McGill mining engineer, and Dr Henri Sanguinetti, an industry leader in uranium geology and geostatistics, will greatly add value as the owners' steering committee advancing the PFS.

The appointment of such experienced high-calibre professionals to our board of directors has greatly strengthened the company's governance and technical capabilities as the company strives to create shareholder value.

I am very optimistic about the future and I believe that the company's accomplishments this year highlight our commitment to our shareholders, employees, partners and projects. On behalf of the company's executive team, I would like to thank you for your continued support. In addition, we are very appreciative of the Government of Niger for their continued cooperation and assistance with our efforts on the ground.

Yours truly,



Govind Friedland, Executive Chairman of the Board of Directors

About GoviEx Uranium

GoviEx Uranium is a private Canadian uranium exploration and development company with 10 exploration tenements located in the heart of Niger's uranium-producing district. Building on the exploration work performed in the 1960's by the French, Japanese and Nigerien governments utilizing some of the skills and knowledge that discovered, develop and now operate Areva's uranium mines nearby, GoviEx' Madaouela Project remains one of the largest on-going uranium exploration programs in the world. The Madaouela Project is widely recognized as containing some of the highest-grade undeveloped uranium resources in Africa.

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RECENT PHOTOS FROM THE FIELD AT MADAOUELA PROJECT



GeoDrill geotechnical inclined drilling currently underway November 2



GeoDrill geotechnical drilling crew – rod change underway in November 2012



SRK Hydrogeologist Chris Palmer on Toureg Camel with GoviEx Site Manager Ibrahim Auami, November 2012



GoviEx Chairman Govind Friedland at Akokan Camp with local Niger Team Summer 2012



Henri Sanguinetti standing at attention with his “kids” at Madaouela Camp after picnic w field team



GoviEx Chairman Govind Friedland at Madaouela Army Camp children Summer 2012