



Norman Harrison **CChem, MRSC, FRSA**
Chief Executive Officer

Alastair MacDonald,
Chairman, Dounreay Stakeholder Group
c/o June Love
Dounreay.com Office
Traill Street
Thurso
Caithness
KW14

23 September 2009

Dear Alastair

Following the announcement in March that UKAEA was seeking a buyer for its wholly owned subsidiary, UKAEA Ltd, I wanted to write to you personally to let you know that a preferred bidder has now been selected. It has now been announced that, after a detailed assessment of the bids received, Babcock International Group has been selected.

The full legal agreements will be finalised over the coming weeks and we expect the sale to be completed before the end of the year.

The two site licence companies, currently owned by UKAEA Ltd - Dounreay Site Restoration Ltd (DSRL) and Research Sites Restoration Ltd (RSRL) - will also form part of the sale but there will be no change in their status as separate legal entities or in their status as site licensees. (Our fusion activities will continue to be part of the parent UK Atomic Energy Authority and will not be directly affected by the sale of UKAEA Ltd. Our involvement in the Harwell Science and Innovation Campus will likewise remain part of the role of the UK Atomic Energy Authority as a non-departmental public body.)

We are very pleased with this outcome, which reflects our success in establishing UKAEA Ltd as a proven successful player in the UK and overseas commercial market for decommissioning and nuclear consultancy services.

During the sale process, we have remained focused on delivering our programmes safely, securely and efficiently to all our customers and I am proud of the professional way in which our employees have carried this out. I want to reassure you that, during these final stages of the sale process, we will continue to operate to the standards which have established our reputation. We will also be doing everything we can to ensure that all our employees are kept informed and that any concerns they may have are addressed.

We will continue to keep you informed on the completion of the sale but if you have any immediate queries about these arrangements, please do not hesitate to let me know and I will do my best to help.

Yours sincerely

Norman Harrison
Chief Executive Officer

The Manor Court
Chilton
Oxon
OX11 0RN
United Kingdom

Telephone: +44 (0)1235 431999
Facsimile: +44 (0)1235 431963
Mobile: +44 (0)7793 666085
Email: norman.harrison@ukaea.co.uk

www.ukaea.co.uk