

MEMORANDUM OF UNDERSTANDING

BETWEEN

DEPARTMENT OF ENERGY and CLIMATE CHANGE

of the

UNITED KINGDOM OF GREAT BRITAIN AND

NORTHERN IRELAND,

INTERNATIONAL NUCLEAR SERVICES LIMITED

AND

CHINA ATOMIC ENERGY AUTHORITY,

CHINA NATIONAL NUCLEAR CORPORATION

CONCERNING

ENHANCING COOPERATION IN THE FIELD OF CIVIL

NUCLEAR INDUSTRY FUEL CYCLE SUPPLY CHAIN

This MEMORANDUM OF UNDERSTANDING CONCERNING ENHANCING COOPERATION IN THE FIELD OF CIVIL NUCLEAR INDUSTRY FUEL CYCLE SUPPLY CHAIN is signed by Department of Energy and Climate Change ("DECC"), China Atomic Energy Authority ("CAEA"), International Nuclear Services Limited ("INS") and China National Nuclear Corporation ("CNNC") (together "the Participants").

DECC is a Ministerial Department of the Government of the United Kingdom of Great Britain and Northern Ireland. It promotes economic growth by delivering affordable, sustainable, and secure energy to the UK, while driving ambitious action on climate change internationally.

CAEA is the competent authority for the Chinese nuclear industry, responsible for nuclear industry management, formulating policies and regulations for nuclear industry development, nuclear non-proliferation, review and management of nuclear import and export, and cooperation in nuclear field.

INS (a company registered in England under Company number 1144352) is a wholly owned subsidiary of the Nuclear Decommissioning Authority ("NDA") and is authorised by NDA to manage its commercial business arising from the operation of the nuclear site located at Sellafield, Cumbria, England and Intellectual Property matters and is the designated point of contact for third parties.

CNNC is a state-owned enterprise whose business scope covers the entire nuclear fuel cycle. It is the main body of the Chinese nuclear industry and the main force of the national nuclear power development and construction in China. It is a supplier of total solutions for NPPs, including backend services to the NPPs in China.

Whereas the AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA FOR

COOPERATION IN THE PEACEFUL USE OF NUCLEAR ENERGY was signed on June 3, 1985.

Whereas the MEMORANDUM OF UNDERSTANDING BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA ON ENHANCING COOPERATION IN THE FIELD OF CIVIL NUCLEAR ENERGY was signed on October 15, 2013.

Whereas the Participants share the objective of the joint development of the markets of civil nuclear industry in the United Kingdom, the People's Republic of China and in other third-country States.

With that objective in mind, following friendly discussion, the Participants have reached the following understanding in relation to promoting the sustainable development of the civil nuclear industry supply chain between the United Kingdom and the People's Republic of China.

Areas of Co-operation

Paragraph 1

INS and CNNC will cooperate as appropriate in relation to civil nuclear matters in the following fields:

- a. Fuel cycle and transportation,
- b. Decommissioning of nuclear facilities,
- c. Radioactive waste management and disposal,

Paragraph 2

INS and CNNC will cooperate as appropriate in the following matters in the context of the civil nuclear industry:

- a. Technical research and development,
- b. Personnel training,
- c. Package cooperation agreement(s) concerning detailed cooperation programs, projects and activities, which may include contracts,
- d. Particular projects, including consideration of whether to establish a Joint Venture to jointly develop the nuclear

- industry supply chain markets in the United Kingdom, in the People's republic of China or in third-party countries,
- e. Establishing a regular meeting mechanism, and
 - f. Other detailed cooperation arrangements as agreed by the Participants.

Operation of this Memorandum of Understanding

Paragraph 3

DECC and CAEA, as the appropriate Government authorities, will organise an annual meeting of the Participants to provide guidance and coordination for the purpose of summarising the work that has been conducted during the previous year and preparing the strategic plan and work arrangement for the next year.

Paragraph 4

INS and CNNC will provide a quarterly written report to, and conduct the cooperative work under the guidance of, DECC and CAEA respectively.

Paragraph 5

Unless otherwise agreed, each Participant will participate at its own cost in any co-operative programmes, projects, or activities that may be carried out under the auspices of this Memorandum of Understanding.

Paragraph 6

INS and CNNC may provide, on a case by case basis, financial and technical support to enhance the cooperation on research and development, or other agreed cooperation projects.

Paragraph 7

Any dispute or disagreement about the interpretation or application of this Memorandum of Understanding will be resolved by consultations

between the Participants, through friendly discussion, and will not be referred to any national or international tribunal or third party for settlement.

Paragraph 8

This MoU may be amended at any time by the mutual written consent of the Participants

Duration and Termination

Paragraph 9

This Memorandum of Understanding will come into effect on the date of last signature and will continue in operation until terminated by a Participant.

Paragraph 10

This Memorandum of Understanding may be terminated by any Participant providing six months' written notice to the other Participants, or by mutual written consent on a date agreed between the Participants.

Acknowledgement

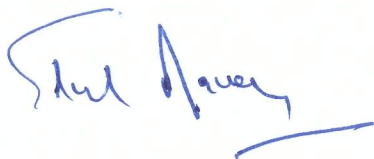
Paragraph 11

The Participants acknowledge that this Memorandum of Understanding is not legally binding, does not give rise to any contractual obligations and shall not be treated as an international agreement or create legal obligations governed by international law.

Signed in London on June 17 2014 in duplicate each in the Chinese and English Languages, both texts being equally valid.

Each party shall hold one original respectively in English and Chinese with the same effect.

FOR THE DEPARTMENT OF
ENERGY & CLIMATE CHANGE
(DECC)

A handwritten signature in blue ink, appearing to read "Stuart Hawes".

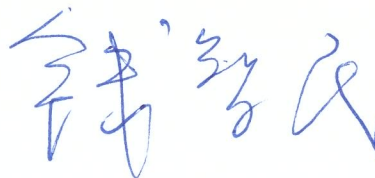
FOR INTERNATIONAL NUCLEAR
SERVICES LIMITED (INS)

A handwritten signature in blue ink, appearing to read "M. Jain".

FOR THE CHINA ATOMIC ENERGY
AUTHORITY (CAEA)

A handwritten signature in black ink, consisting of Chinese characters: 许进超.

FOR CHINA NATIONAL NUCLEAR
CORPORATION (CNNC)

A handwritten signature in blue ink, consisting of Chinese characters: 李强民.