



May 23, 2008

Dear Valued Customer,

As your business partner, we are committed to keeping you updated on the recent announcements regarding medical isotope supply and production. Last week, Atomic Energy of Canada Ltd. (AECL) and the Government of Canada announced it would discontinue the development of the MAPLE reactors at Chalk River and continue with National Research Universal reactor (NRU) upgrades. AECL has stated that this decision will not impact the current supply of medical isotopes from NRU, and the Government has stated that the NRU facility will continue to provide a reliable and consistent supply.

The MAPLE project was intended to replace NRU and deliver increased capacity to address the global demand for medical isotopes. We were not consulted about AECL's decision and were surprised and disappointed by their announcement. We are currently reviewing AECL's commitments to us and are assessing options to make sure that those commitments are met. Our goal is to protect the long-term interests of our customers and to focus on the continuity of medical isotope supply for patients worldwide.

We are pleased that the Government has asked AECL to pursue the extension of the NRU operation beyond its current license to provide for the ongoing supply of these critical medical isotopes. The NRU is the most reliable medical isotope producing reactor in the world, with a reliability record exceeding 97%.

As a global leader in providing innovative technologies for medical imaging, our highest priority remains the supply of medical isotopes to you, so you in turn can continue to address patient needs.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve West", with a stylized flourish at the end.

Steve West  
President  
MDS Nordion