

*In light of last winter's exceptional results at both Turnor Lake and Red Willow in the Athabasca Basin of Northern Saskatchewan, this summer's attention was focused on the establishment of more permanent bases at both of these projects. During the spring, our team went to work constructing long term living accommodations, work facilities and maintenance depots at our drill camp at Turnor Lake. In addition, a new camp was constructed on the Red Willow Property.*

*Drilling at Turnor Lake has continued smoothly throughout the summer months. This drill program is scheduled for completion in September delivering an additional 3,400 metres of drilling in 17 new holes.*

*Our Red Willow field team is continuing to re-establish and significantly extend the historic Long Lake Radioactive Boulder Train, while at Fire Eye and William River, we await the interpretation of our recent airborne surveys.*

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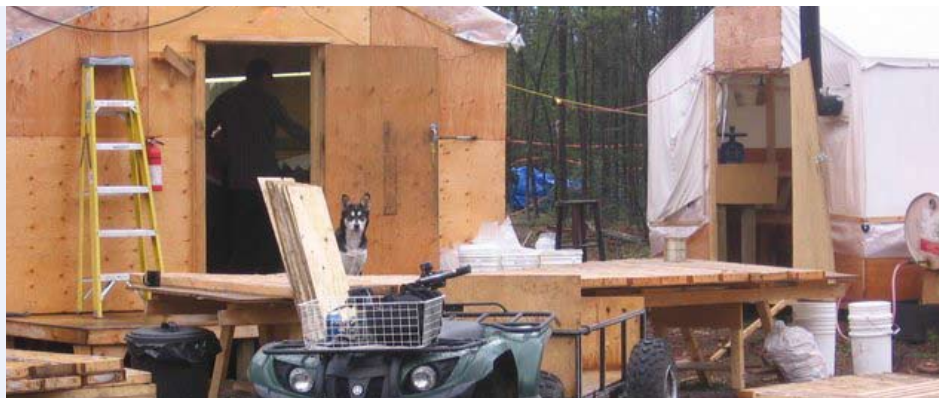
## Highlights:

- 3,400 m of summer drilling to be completed on the Turaco Grid between June and September 2006;

## Plans:

- Assays, interpretation and analysis to proceed throughout the Fall in preparation of next winter's drill program
- \$455,000 budgeted to complete drilling and interpretation to the end of 2006

The Turnor project is in close proximity to several uranium deposits including Midwest Lake, McClean Lake, Eagle Point, and Collins Bay.



## Turnor Lake Project

The Turnor Lake Project covers known graphitic conductors that are associated with uranium showings on adjoining properties, namely Cameco's La Rocque Showing (33.9% U3O8 over 5.5 m) to the west and Areva's HLH-50 intercept (5.2% U3O8 over 0.38 m) located to the south. Purepoint's 2006 winter drill program on the Turaco Grid consisted of 12 holes that all returned anomalous uranium and alteration typically related with unconformity uranium deposits.

Exploration continued this summer on the Turaco grid with the objective of targeting ore deposits by discovering additional zones of anomalous uranium, clay alteration and new structures. Follow-up to prospective areas discovered during the initial winter drill program, such as outlined by drill holes TL-03 and TL-09, will be tested in the winter of 2007 once the lakes freeze again. Results from these two holes are extremely encouraging as they both intersected thick intersections of sandstone that were highly anomalous in uranium.

Targeting the location of an ore deposit is possible beyond geophysics by identifying and then following up favourable indicators found within drill core. During the creation of a uranium ore deposit, fluids carrying and depositing uranium will also alter the rock surrounding the ore body. Since the Athabasca sandstone has a background uranium content of only 1 to 2 ppm, uranium concentrations in the sandstone greater than 3 ppm are considered significant and assumed to have come from uranium-rich fluids possibly pooling nearby. Drill hole TL-03 intersected 29 metres of sandstone averaging 34 ppm U while TL-09 encountered 42 metres of sandstone averaging 15 ppm U. A summary of anomalous uranium values and basement rock types for the initial 12 drill holes is provided below.

Hole ID	Significant U in Sandstone		Maximum Uranium Values		Graphite	Basement Rk Type
	Weighted Avg. U (ppm)	Interval (m)	Max. U (ppm)	Interval (m)		
TL-01	6	10.5	10	2.7	No	Granite
TL-02	10	11.4	299	0.3	No	Semi-pelite
TL-03	34	29.0	438	0.4	No	Pelite/Pegmatite
TL-04	6	7.5	80	1.3	Yes	Pelite/Pegmatite
TL-05	12	8.9	122	0.3	No	Semi-pelite
TL-06	10	15.3	42	0.4	No	Pelite/Pegmatite
TL-07	6	13.4	38	1.0	Trace	Pelite/Pegmatite
TL-08	9	6.5	167	0.3	No	Pelite
TL-09	15	42.0	179	1.5	No	Pelite
TL-10	13	17.1	105	0.4	Yes	Pelite/Pegmatite
TL-11	13	10.8	53	0.4	Trace	Pelite
TL-12	5	3.1	38	0.3	No	Granite



## William River Project

On June 28, 2006 Purepoint announced the completion of a \$400,000 electromagnetic and magnetic survey of its William River property. A 1,700 line kilometre MEGATEM II airborne electromagnetic and magnetic survey was flown at a line spacing of 1,000 metres on the property in order to confirm depths and specific areas of interest.

### Highlights:

- Purepoint's William River property abuts UEX/Areva's Joint Venture Projects in the western Athabasca Basin;
- The William River property is located less than 10 kilometres east of the Carswell Structure, which hosts the Cluff Lake uranium mine that produced in excess of 60 million pounds of uranium;
- The property hosts two domes that extend close to surface and a significant fault which provides an ideal structural setting for uranium transport at a depth interpreted to be as shallow as 300 metres (only 1/3 of the average depths being drilled in the western Basin in recent years).

### Plans:

- Pending final interpretation in September, the company intends to perform further fill-in airborne surveys prior to the end of the year.

The William River Dome is located less than 10 kilometres east of the Carswell Structure, which hosts the Cluff Lake mine. The SW corner of the William River claim group ties onto the Areva/UEX James Creek JV Project that covers significant basement conductors detected by airborne geophysical (MEGATEM) surveys (UEX News Release, January 31, 2005). Areva and UEX have encountered significant mineralization west of James Creek at the Shea Creek Project that includes a high-grade intersection of 27.4% U3O8 over 8.8 metres in the Kianna Deposit area (see UEX News Releases, July 13, September 14 and October 11, 2005).

## The Long Lake Radioactive Boulder Train, Red Willow Project

This summer's field work took us to the south eastern area of the Red Willow property to re-establish and better understand this historically radioactive region.

### Highlights:

- The original boulder train is now wider and has been extended one kilometer further up-ice (i.e., closer to the source from which the glacier pushed these rocks). Radioactive boulders buried within the glacial till become more abundant up-ice indicating the source of these rocks is nearby.
- The field of radioactive metasediment boulders is now believed to terminate at a specific structural target.

### Plans:

- Geological mapping in conjunction with boulder and till sampling will continue through the Fall;

The Red Willow Project is on trend with the Basin's Major Mine Corridor hosting the JEB, Midwest, Cigar Lake, McArthur River and Millennium uranium deposits.

## Exploration Budget Update

Project	Through Q3 2006	Q4 2006	Nature of Q4 Exploration Work
Turnor Lake	\$2,200,000	\$455,000	Drilling & Interpretation
Red Willow	554,000	100,000	Surface Sampling & Drill Preparation
William River	940,000	400,000	Airborne Geophysics
Umfreville	370,000	50,000	Surface Geophysics & Interpretation
South Newnham	9,000	150,000	Surface Geophysics & Interpretation
Fire Eye	100,000	150,000	Interpretation
McEwen	17,000	5,000	Interpretation
<b>Total</b>	<b>\$4,190,000</b>	<b>\$1,310,000</b>	