

# Athabasca Basin EXPLORATION UPDATE

May 1, 2009

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Uranium  
Group Inc.

	March 31, 2009	April 30, 2009	Change
Ux Consulting's <b>Spot Price</b>	US\$42.00/lb U <sub>3</sub> O <sub>8</sub>	US\$44.00/lb U <sub>3</sub> O <sub>8</sub>	<b>US +2.00</b>
Ux Consulting's <b>Term Price</b>	US\$70.00/lb U <sub>3</sub> O <sub>8</sub>	US\$65.00/lb U <sub>3</sub> O <sub>8</sub>	<b>US -5.00</b>

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**Denison Mines Corp. (DML-TSX): Denison signs MOU with KEPCO** – On April 14, Denison announced that it had entered into a non-binding memorandum of understanding with Korea Electric Power Corporation ("KEPCO"). The agreement provides that KEPCO will execute a proposed off-take agreement to purchase 20% of Denison's U3O8 production and acquire by private placement approximately 58 million common shares of Denison representing 19.9% of the post-transaction shares outstanding for gross proceeds of \$75.4 million.

The terms of the proposed agreement also stipulate that entities nominated by or affiliated with Denison's chairman, Lukas Lundin, will acquire approximately 15 million common shares for additional gross proceeds of \$19.5 million.

The issue price of \$1.30 per share represents a 15% premium to the 30-day moving average price prior to the execution of the memorandum. The offering may be completed by way of a combination of a private placement or through a public offering of common shares qualified through a prospectus. Proceeds will be used to reduce bank debt and to advance development projects.

The off-take agreement will provide for deliveries commencing in 2010 with minimum deliveries of 510,000 to 690,000 pounds of U3O8 per year from 2010 to 2015. The purchase price per pound of the U3O8 will be on industry standard terms.

KEPCO has the right to appoint two directors to Denison's board of directors and a right of first offer to acquire up to 20% of any assets Denison acquires with a partner or sells.

These transactions are subject to the completion of due diligence by KEPCO, execution and delivery of definitive agreements on or before June 15, 2009 and receipt of certain regulatory approvals including Toronto Stock Exchange and NYSE Amex approval.

**Denison Mines Corp. (DML-TSX): Wheeler River Drilling Results** - On April 2, Denison announced that it had discovered a second zone of high-grade uranium mineralization at the Wheeler River project located in the eastern Athabasca Basin. The additional mineralization is located approximately 300 metres northeast of the previously discovered high-grade zone. The Wheeler River project is a joint venture among Denison (60%), Cameco Corp. (30%) and JCU (Canada) Exploration Company, Limited (10%).

Hole WR-267 returned 15.5% eU3O8 over 2.9 metres from a depth of 408.2 metres. Hole WR-268 located 40 metres to the southwest returned 12.8% eU3O8 over 2.4 metres from 409.5 metres and 2.7% eU3O8 over 0.5 metres from 416.9 metres. The last hole of the winter season, Hole WR-269, was located 50 metres northeast of WR-267 and returned 9.8% eU3O8 over 1.5 metres from 407.8 metres and 2.1% over 1.1 m from 416.0 metres.

The strike length of the uranium mineralization identified in these three drill holes is over a length of 90 metres and is completely untested to the northeast and open along strike to the southwest. Denison believes that this new area may represent an extension of the initial high grade zone as the area between the zones has not been adequately drill tested.

All three holes were spotted at a -80 dip and intersected massive and semi-massive pitchblende. In Hole WR-268 this mineralization was entirely hosted in the basement beneath the unconformity.



The results are reported at a 1.0% eU3O8 cutoff grade utilizing a downhole probe.

The drilling in 2008 and 2009 has been focused on a total strike length of 660 metres. Approximately half of this zone has not as yet been drill tested and is strongly mineralized at both its northeast and southwest extremities. Much further potential remains outside the zone along strike. The winter drill program is now complete and Denison will recommend to the Joint Venture a summer program with a focus on infill drilling the high-grade zone discovered so far, further testing along strike to extend the known deposits and exploration for further zones.

**Denison Mines Corp. (DML-TSX) and Northern Continental Resources Inc. (NCR-TSXV): Denison to Acquire Northern Continental** – On April 30, Denison and Northern Continental announced that they had entered into a letter agreement whereby Denison will acquire all of the issued securities of Northern Continental.

Pursuant to the terms of the letter agreement, Denison intends to acquire all of the issued and outstanding common shares of Northern Continental on the basis of one common share of Denison for every 10.87 shares of Northern Continental which represents a 64.8% premium over the closing price of Northern Continental's shares on April 30th, 2009. As a result of the transaction, all validly existing warrants, options and other rights to acquire common shares of Northern Continental will be deemed to represent comparable securities of Denison adjusted on the same share exchange ratio basis.

Upon completion of the transaction, Denison will issue approximately 5,038,242 common shares to the Northern Continental shareholders.

The transaction will occur by way of plan of arrangement with the ultimate form of the transaction to be mutually determined by Denison and Northern Continental based on tax, securities and corporate law and other considerations. The transaction will be subject to, among other things, receipt of regulatory, court, stock exchange and Northern Continental shareholder approvals, completion of accounting, tax, financial and legal due diligence, receipt by Northern Continental of a final fairness opinion and completion of definitive documentation. A break fee of 4% of the value of the transaction is payable to Denison in the event that a superior unsolicited offer is accepted by Northern Continental.

Under the terms of the letter agreement, Denison has agreed to advance a loan to Northern Continental of \$495,000, repayable by Northern Continental at the rate of 5% per annum in the event of termination of the transaction and, at the election of Denison, convertible into common shares of Northern Continental at a price of \$0.125 per share. The bridge loan will provide working capital for Northern Continental until the completion of the transaction.

**Hathor Exploration Ltd. (HAT-TSXV) and Forum Uranium Corp. (FDC-TSXV) - Geophysics Begins at Henday** – On April 1, Hathor and Forum announced that a geophysical program had commenced on the Henday Lake property, located in the eastern Athabasca Basin. The program includes ground EM and ground gravity surveys along several highly prospective trends on the property in preparation for future drill programs. The sandstone thickness on this project averages only 160 metres.



The EM and gravity surveys will be completed over the N70 conductive structure that runs under Forum's Mallen Lake zone, where illitic alteration and elevated geochemistry were intersected in two drill holes in 2008. A gravity survey will define areas of alteration along the N70 trend, and a detailed survey will take place over the lake portion of the grid where the highest potential for mineralization occurs. The gravity survey will also cover two major N30 trending structures, one of them believed to be the north-east extension of the Midwest/Roughrider structure. Sections of the structure that intersect cross-cutting graphitic lithologies will be of particular interest.

This survey should be completed by mid-April and will bring the project to a drill-ready state. Under terms of the option, Hathor must spend \$3.5 million in exploration over the next three years to earn a 60% interest in the project. Forum is the operator of the Henday.

**Hathor Exploration Ltd. (HAT-TSXV): Roughrider Zone Results** – On April 15, Hathor released additional results from drilling at its Roughrider Zone located on the Midwest NorthEast property in the eastern Athabasca Basin. Hathor completed more than 30,000 meters of diamond drilling in 89 drill holes from the ice of South McMahon Lake. Hathor has now reported U3O8 assays for 40 of the 89 drill holes completed during the winter.

Highlights from latest 24 holes where assay results have been received include:

- 12 metres grading 10.18% U3O8 including 2.5 metres grading 23.58% U3O8 in hole MWNE-09-79a
- 18.5 metres grading 3.43% U3O8 including 1.5 metres grading 14.42% U3O8 in hole MWNE-09-80
- 10 metres grading 1.38% U3O8 including 1.5 metres grading 5.87% U3O8 in hole MWNE-09-82

All intersections are down-hole, core-length intervals and true thickness of mineralization is yet to be determined. Of the 89 holes in the winter drill program, 24 holes were unmineralized with less than 500 CPS and 45 holes had intervals of greater than 9,999 CPS (off-scale). The remaining 20 holes had intervals that ranged from 500 CPS to 9,800 CPS.

In addition to the reported assay results, the 2009 winter drilling program:

- Identified strike length extensions to the southwest and northeast, and width extensions of the original Roughrider zone; all of these extensions are still open
- Discovered initial zones of high radioactivity at and above the unconformity in holes MWNE-09-94, MWNE-09-97 and MWNE-09-101.
- Intersected the highest levels of radioactivity (as determined by down-hole gamma-ray probe data) on the property to date in drill hole MWNE-09-116, a step-out hole to the southwest.

Hathor plans to continue drilling after spring breakup using both barge-based and land-based drill rigs. This program will: further test for strike-length extensions and extensions of sandstone-hosted mineralization; continue in-fill drilling; and provide material for detailed metallurgical testing.



On April 30, Hathor reported the assay results of ten of these drill holes on the Midwest NorthEast property.

Eight of the ten new holes intercepted uranium mineralization. Highlights from these drill holes include:

- 18 metres grading 2.19% U<sub>3</sub>O<sub>8</sub> in the basement in hole MWNE-09-91
- 5.5 metres grading 12.62% U<sub>3</sub>O<sub>8</sub> at the unconformity, including 3 metres grading 22.78% U<sub>3</sub>O<sub>8</sub> in hole MWNE-09-94
- 2.5 metres grading 26.40% U<sub>3</sub>O<sub>8</sub> in the basement, including 0.5 metres grading 68.10% U<sub>3</sub>O<sub>8</sub> in hole MWNE-09-94
- 7 metres grading 2.83% U<sub>3</sub>O<sub>8</sub> at the unconformity, including 2 metres grading 8.16% U<sub>3</sub>O<sub>8</sub> in hole MWNE-09-97
- 3.5 metres grading 3.82% U<sub>3</sub>O<sub>8</sub> at the unconformity, including 1.5 metres grading 7.83% U<sub>3</sub>O<sub>8</sub> in hole MWNE-09-101
- 3.5 metres grading 16.98% U<sub>3</sub>O<sub>8</sub> in the basement in hole MWNE-09-101

All intersections are down-hole, core-length intervals and true thickness of mineralization is yet to be determined. Of the remaining 4 mineralized holes, assay results ranged from 0.06% U<sub>3</sub>O<sub>8</sub> over 0.5 metres to 0.88% U<sub>3</sub>O<sub>8</sub> over 0.5 metres.

Drilling is planned to continue after spring breakup utilizing both barge-based and a land-based drill rigs. Drilling will be designed to: further test for strike-length and unconformity extensions; continue in-fill drilling; and provide material for detailed metallurgical testing. Hathor will release assay data from the remaining drill holes of the winter campaign as they are received and verified.

**Titan Uranium Inc. (TUE-TSXV): Border Block Drilling Results** - On April 1, Titan announced phase two drill results from the Border Block project, located in the southwest Athabasca Basin.

The project is the subject of a Letter of Agreement between Titan and Japan Oil, Gas and Metals National Corporation (JOGMEC) wherein JOGMEC can earn a 50% undivided interest in the project by funding \$6 million in exploration over four years. JOGMEC accelerated funding on the project by providing an additional \$500,000 for a total of \$1.5 million during the first earn-in period ending March 31, 2009. Titan is the operator of the exploration programs.

Phase two drilling on the Border Block project was carried out in February 2009. Two diamond drill holes were completed for a total of 955 metres. Analytical results have been received for holes GL-08-02A and GL-09-3A.

Both holes show anomalous values of boron (up to 2,610 ppm B over a background of 100 ppm), nickel (up to 52.8 ppm Ni over a background of 1 ppm) and elevated values of arsenic, cobalt and vanadium. Graphitic horizons, interpreted to be the cause of the electromagnetic anomalies, were intersected in each hole. The analytical results also indicated the presence of illite and sudoite clay species in the basal sandstone rocks.



Additional ground geophysical surveys completed in February have located numerous basement electromagnetic conductors. Titan and JOGMEC will be reviewing the drilling and geophysical data in preparation for a summer drill program.

**Triex Minerals Corp. (TXM-TSXV): Athabasca Drilling Update** - On March 31, Triex released an update on its current winter drilling programs in the Athabasca Basin. Two winter drill programs have been running concurrently in the Athabasca Basin. Drilling at the Stony Road property is now complete, while drilling at the Pasfield Lake property is ongoing.

Two vertical holes were completed on the main target at the Stony Road property, for a total of 1,300 metres. The unconformity was intersected at depths of around 600 metres. The target airborne and ground electromagnetic conductor at the western margin of a regional magnetic high was confirmed by prospective metapelitic gneiss, both graphitic and pyritic, intersected in the basement. Chlorite alteration was in sandstone throughout Hole 1 and localized but pervasive clay alteration was intersected in Hole 2 sandstone. The significance of this alteration, and possible follow-up drilling, will be evaluated once Triex has received the geochemical data for uranium, and the key pathfinder elements.

Drill holes were radiometrically probed using a down-hole Mount Sopris 2PGA-1000 poly-gamma probe. However, there were no continuous zones of significant radioactivity encountered.