

Athabasca Basin EXPLORATION UPDATE

March.1.2010

brought to you by: **Purepoint**

Uranium
Group Inc.

	Jan 31, 2010	Feb 28, 2010	Change
Ux Consulting's Spot Price	US\$42.50/lb U ₃ O ₈	US\$41.75/lb U ₃ O ₈	US - \$0.75
Ux Consulting's Term Price	US\$62.00/lb U ₃ O ₈	US\$60.00/lb U ₃ O ₈	US - \$2.00

Industry Commentary:

1. New M&A on a Global Scale
2. Uranium Production: A Balancing Act of Nuclear Proportions
3. Nuclear Politics: More Reactors - Less Fuel

In This Edition:

1. Canalaska Uranium Ltd. (CVV-TSXV): Canalaska and Mitsubishi Initiate Winter Exploration on 50:50 Joint Venture
2. Denison Mines Corp. (DML-TSX): Virginia Energy and Denison Commence Drilling on Hatchet Lake JV
3. Forum Uranium Corp. (FDC-TSXV) and Hathor Exploration Ltd. (HAT-TSXV): Commence Drilling at the Henday Project
4. Fission Energy Corp. (FIS-TSXV): Intersects 12m of 3.64% U₃O₈ including Mineralization as High as 45.2% U₃O₈
5. Hathor Exploration Ltd. (HAT-TSXV): Intersects Off-Scale Radioactivity in Seven Holes at Roughrider Zone East
6. Purepoint Uranium Group Inc. (PTU-TSXV): United Uranium Discontinues Red Willow Claim
7. Titan Uranium Inc. (TUE-TSXV): Begins 2010 Winter Drilling on Border Block Claims
8. UEX Corp. (UEX-TSX): Receives West Bear Preliminary Feasibility Reporting Probable Reserves Containing 1,492,261 Pounds U₃O₈ at a Grade of 0.94% U₃O₈

For more information please contact:

Chris Frostad, President & CEO
Purepoint Uranium Group Inc.

cfrostad@purepoint.ca | 416.603.8368 | 360 Bay Street | Suite 401 | Toronto | Ontario | Canada | M5H 2V6



Industry Commentary

By Chris Frostad

New M&A on a Global Scale

The geographic distribution of uranium reserves around the planet is almost in complete contrast to where it is most needed. Although this is not a new situation, uranium fuel demand is projected to increase by 33% over the next decade (World Nuclear Association) and international chatter is undoubtedly intensifying.

Right now, three countries collectively supply 60% of the world's uranium - Kazakhstan, Australia and Canada. On the other side of the fence are the three biggest nuclear power generators; the United States, France and Japan who consume 58% of world's nuclear fuel.

The rules of engagement are shifting, however, with China initiating the construction of at least eight new nuclear power plants in recent years. Today China's efforts represent more than 30% of the global nuclear power generating units under construction with no signs of slowing down. Another powerhouse turning up their nuclear power construction effort is India. On Saturday February 6 at the stroke of midnight, India turned on its 18th nuclear power unit at Rawatbhatta in Rajasthan. Over the last year, India has been aggressively setting the table to commence international nuclear transactions.

During the last few weeks we have seen the beginning of what may be an extended period of uranium asset acquisitions, as a finite number of uranium reserves become the target of increasing international attention:

- In January, China's CNNC International Ltd. acquired a 37% stake in the Azelik uranium mine in Niger stating that they are now moving their focus to additional acquisition opportunities in Kazakhstan. Then in early February, their sister company - CNNC Overseas Uranium Holding Ltd. - placed a bid to acquire 100% of the shares of Khan Resources Inc. This offer trumped an existing offer from Russian company Atomredmetzoloto JSC, also interested in acquiring Khan's Dornon uranium deposit in Mongolia.
- Also last month China Guangdong Nuclear Power Holding Co. announced their acquisition of a majority holding in Australian uranium explorer, Energy Metals Limited.
- Finally, a South Korean consortium lead by Kepco has just begun talks to acquire 15% in Extract Resources Ltd.'s Rossing South uranium mine in Namibia.

Despite a languishing uranium spot price, 2010 should see a wave of international M&A activity as a growing list of countries execute their long term nuclear power initiatives.

Uranium Production: A Balancing Act of Nuclear Proportions

Two weeks ago we were reminded of how fragile the ongoing supply of uranium is. Nearly 3 ½ years after being chased out by flood waters, crews at the Cigar Lake mine in Saskatchewan were finally allowed back underground to assess its future. Set to begin production in 2007 and provide 10% of the



world's uranium consumption, the accident at Cigar Lake sent uranium prices on a two year roller coaster ride bouncing off of \$135 US per lb.

In November of last year an equipment failure at Australia's Olympic Dam rendered the primary shaft at the Roxbury Downs mine unusable and reduced production by 75% for the better part of a year. Due to environmental issues surrounding its uranium extraction method, BHP cut production estimates in February for its Yeelirrie uranium mine by 30%. Also last month, First Uranium suspended its South African expansion plans when government officials in that country revoked environmental authorization for its new operations.

We are rarely (if ever) treated to an unforeseen success in the nuclear fuel industry yet plans for new reactors continue to march on and the price of uranium remains dormant.

The World Nuclear Association presents a very pleasant base case for the supply and demand of uranium moving forward. It appears that the production of uranium will be adequate to meet the demand of the current reactors, as well as those under construction, until 2019. As a matter of fact, production is projected to increase in exact lockstep with demand until then. There is not, however, adequate fuel available for any announced "planned" reactors. That uranium has not yet been found.

There are two assumptions that must hold for these projections to prevail:

1. Fuel supplied under the current HEU agreement which regulates the sale of Russian material derived from nuclear weapons must continue to flow past its current expiry date in 2013. This annual flow of 20 million lbs of uranium accounts for 14% of the world's requirements.
2. The industry can suffer no significant production set backs.

If you remove the Russian uranium as well as the anticipated production from Cigar Lake and the Olympic Dam and Jambiluka expansions from the WNA's forecast - the lights start to go out in 2 years. By the end of 2013 uranium production falls back to, and remains at current levels moving forward. The world's plans for nuclear energy appear to be reliant on a number of planets remaining aligned.

When asked last week about the Cigar Lake mine, Cameco's CFO stated "We're very cautious but very optimistic things are working out". How comforting.

Nuclear Politics: More Reactors - Less Fuel

Military Coup in Niger

Late last month, armed soldiers stormed the presidential palace of President Mamadou Tandja and relieved him of his decade long rule over Niger. Although things seemed to settle down quickly, there remains considerable concern as to how this change in power may affect Niger's primary source of revenue - *uranium*. Niger currently provides 7.5% of the world uranium mining output from Africa's highest-grade uranium ores.

France's state controlled nuclear energy company, Areva, signed a contract with the Niger government in 2009 for mining at the Imouraren region, in northern Niger. This contract gave exclusive rights to France to extract most of Niger's uranium.

The two countries announced last year that once mining commences at Imouraren (scheduled for 2012) the production of uranium would double in the country, making it the world's second largest uranium supplier.



New Nukes for the United States

Also last month US President Obama announced \$8.3 billion in federal loan guarantees to help finance two new nuclear reactors in Georgia. On top of that, he asked for another \$46 billion in his 2011 budget; enough to help fund an additional six to 10 reactors.

Although this held mixed feeling at home, the announcement created a positive wave to the international nuclear community. In Japan, nuclear-power-related stocks such as Mitsui & Co., Toshiba and Mitsubishi took an immediate rise. South Korean and Australian markets also moved higher. The CEO of Areva's US unit was quoted as saying "The nuclear industry got a big boost by President Obama. It's no longer taboo to build plants in this country".

Obama announced that "if we fail to invest in the technologies of tomorrow, then we're going to be importing those technologies instead of exporting them. We will fall behind. Jobs will be produced overseas, instead of here in the United States of America".

The challenge, of course, is that the US hasn't built a reactor in over 30 years and as we have seen in Canada, this expertise has a shelf life. The current nuclear experts: France, Japan, South Korea, China and Russia, must be getting ready to put their sales hats on.

The US initiative has many hurdles to get over before these loan guarantees ever turn into reactors. Oddly, however, it received more attention from the nuclear community than the 7 million lbs a year of uranium at risk in Niger.



Canalaska Uranium Ltd. (CVV-TSXV): Canalaska and Mitsubishi Initiate Winter Exploration on 50:50 Joint Venture – On February 15, CanAlaska announced that as at Feb. 12, 2010, MC Resources Canada Ltd., a wholly owned subsidiary of Mitsubishi Corporation, completed the \$11-million investment specified under the project's option agreement and formally earned a 50-per-cent ownership interest in the West McArthur uranium project. A 50:50 joint venture has been established between CanAlaska West McArthur Uranium Ltd., a wholly owned subsidiary of the company, and MC Resources Canada Ltd. CanAlaska West McArthur Uranium is the operator of the joint venture. To facilitate the long-term planning of the project, Mitsubishi Corporation and CanAlaska have outlined a \$20-million five-year program of exploration that will progressively test the current targets areas and reach across the remainder of the property to evaluate other target areas.

The company has already commenced exploration work for the 2010 winter season. Geophysical crews started fieldwork in preparation for a \$3.5-million drill program on the West McArthur project. A drill contract for a minimum of 6,500 metres of drilling, using two drill rigs, has now been executed with Cyr Drilling International Ltd. Cyr Drilling has worked with the company on drill projects at West McArthur since 2005, and is well provisioned to complete this winter's drill program. The company has been particularly anxious to recommence drill testing on the grid 1-2 area of the project, which has been in hiatus for the past two years. Prior drilling by the company in this area had intercepted trace uranium mineralization in three separate drill holes. The nature of the alteration associated with the drilling, as well as from earlier geophysical surveys, indicated a number of discrete targets A to D in the grid 1-2 area, which have been the subject of intense review, retesting and prioritization for the past field seasons. At least seven drill holes will be completed over the winter season on these high-priority targets. (See news in Stockwatch May 29, 2007, for images of the geophysical responses and previous drill holes, alteration and mineralization.)

Peter Dasler, president and chief executive officer, commented: "We are very pleased to have been able to work with Mitsubishi for the past four years in expanding the knowledge of this very strategic project. We are located in a very mineral-rich area, adjoining one of the largest uranium mines in the world. Our preliminary work and drilling has indicated the style of targets that hold promise for significant uranium discovery. The strength and continued support of Mitsubishi Corporation is allowing us to reach for our goals."

Denison Mines Corp. (DML-TSX): Virginia Energy and Denison Commence Drilling on Hatchet Lake JV - On February 16, Virginia and Denison started drilling on the Hatchet Lake uranium property in Saskatchewan. The 2010 program is budgeted at \$700,000 and will include approximately 2,000 metres of drilling in eight to 10 holes in the Tuning Fork area, along with ground electromagnetic surveys on three grids in the Hatchet South and Richardson-Lake Crooked Lake areas.

The Hatchet Lake property is subject to a joint venture agreement between Virginia and Denison, each holding a 50-per-cent interest with Denison as the operator. This very large property consists of 11 claims totalling 39,930 hectares within the relatively shallow, northeast portion of the Athabasca basin. It is located 20 kilometres north of Points North Landing, and 17 kilometres north of the McClean Lake Mill owned by AREVA-Denison-OURD. Several winter roads are present on the claims, allowing relatively economical drill access and support.

The Hatchet Lake property is underlain by sandstones of the Athabasca group, which unconformably overlie highly deformed and metamorphosed rocks of the Mudjatik and Wollaston Domains. The target is an unconformity-type uranium deposit and/or a basement-hosted deposit at or near the contact between the Athabasca sandstones and underlying basement rocks. The Hatchet property includes faults and conductors similar to those that host nearby unconformity-related uranium deposits and prospects such



as Jeb (Areva-Denison-OURD), Dawn Lake and La Rocque Lake (Cameco-Areva-JCU), Moonlight (Areva-Denison-JCU), Midwest (Areva-Denison-OURD) and Roughrider (Hathor-Terra). In recent years, the Hatchet joint venture has completed a thorough technical compilation, several airborne and ground geophysical surveys, and six drill holes (see Santoy Resources news releases in Stockwatch on Oct. 30, 2008, Oct. 3, 2007, and July 18, 2007).

The depth to the unconformity at the Tuning Fork target is 100 to 140 metres, shallow enough for open pit mining. The drill program is designed to test a 3,800-metre-long extension of the conductor system which hosts the Top Creek and Moonlight uranium targets on the adjacent Wolly property (Areva-Denison-JCU). The Moonlight uranium zone is located 3.5 kilometres southeast of the Tuning Fork area and is reported to have returned drill results of up to 1.78 per cent U₃O₈ over 4.75 metres in sandstone. Historic wide-spaced drilling of the Tuning Fork conductor has identified a locally faulted and sheared, twinned pair of graphitic-pyritic pelite units, spaced 40 to 50 metres apart. Weak uranium enrichment and illite, limonite and hematite alteration are present along the conductor. For example, historic Asamera hole Q20-1 is reported to have encountered 0.126 per cent U₃O₈ over 0.9 metre. Property maps are available at the company's website.

In the Richardson-Crooked Lake area to the north, the joint venture plans line cutting and ground geophysical surveys to better define the location of a six-kilometre-long conductor system with uranium and base metal enrichment associated with sulphide mineralization and alteration in sandstone and basement rocks. The unconformity in this area varies between zero and 120 metres depth. A number of historic uranium, cobalt, copper, nickel, zinc, arsenic and gold-enriched drill intercepts have been reported on the Hatchet property, including SMDC hole 61 which intersected "uraniferous sulphide breccia" which assayed 7.34 per cent cobalt, 1.66 per cent nickel and 16.07 per cent arsenic over 2.5 metres (and 5.0 m of 73 parts per million (ppm) U), hole 74 which intersected 2,112 ppm uranium, 256 ppm arsenic and 202 ppm cobalt over 3.4 metres, and hole HT-96 which intersected 2,600 ppm uranium over 1.0 metre plus adjacent sections which assayed 5.95 per cent copper over two metres and 0.612 per cent cobalt over 2.5 metres.

In summary, the Hatchet property is extremely large and well located with respect to infrastructure. It is highly prospective for unconformity uranium deposits based on the host rocks, alteration, numerous faulted conductor trends, and the shallow depth to the unconformity.

Forum Uranium Corp. (FDC-TSXV) and Hathor Exploration Ltd. (HAT-TSXV): Commence Drilling at the Henday Project - On February 8, Forum and Hathor announced the start of their 18-hole drill program on the Henday project in Northern Saskatchewan. This \$1.65-million exploration program is operated by Forum and financed by Hathor, according to a joint-venture option agreement executed by the two companies. A ground gravity and electromagnetic geophysical survey has also begun that will be used to identify additional targets for future drilling.

Program highlights include:

- 4,500-metre drill program;
- On trend with Areva's Midwest Lake deposit and Hathor's Roughrider zone;
- Shallow drill targets, average depth of 160 metres.

The 7,204-hectare Henday project is located 10 kilometres northeast of Hathor's Midwest northeast property, where recent drill results have reported 28 metres of 12.71 per cent U₃O₈ with assays up to 82 per cent U₃O₈ (see Hathor news release in Stockwatch dated Nov. 12, 2009), and the Midwest Lake



mine development project owned by AREVA/Denison (41 million pounds U₃O₈ at an average grade of 5.5 per cent), which is located just three kilometres to the southwest, along strike.

The recent discovery by Fission Energy Corp., adjacent and to the west of the Roughrider zone, reinforces the potential of this part of the Athabasca basin. It is Forum's objective to locate similar deposits on this strategically located property.

Rick Mazur, president and chief executive officer, Forum, stated, "After the discovery of the Mallen Lake zone during Forum's 2008 drill program, further work funded by Hathor has identified compelling drill targets for follow-up drilling along this favourable trend."

The drill program will be concentrated along a N70 structure in the Mallen Lake area of the property. This area shows several promising gravity lows. Similar targeting techniques have been used successfully in identifying the Roughrider zone.

The 2010 exploration program, upon completion, will bring Hathor's ownership of the project to 40 per cent. Under terms of the agreement, Hathor must spend \$3.5-million in exploration over three years to earn a 60-per-cent interest in the project.

Fission Energy Corp. (FIS-TSXV): Intersects 12m of 3.64% U₃O₈ including Mineralization as High as 45.2% U₃O₈ - On February 11, Fission announced uranium assay results from the previously announced discovery hole WAT10-063A on its Waterbury Lake project. This drill hole intersected 10.5 metres grading 1.91 per cent U₃O₈ from 226 m to 236.5 m downhole. Included in this interval is a high-grade intersection of one metre grading 13.87 per cent U₃O₈ from 230 m to 231 m. WAT10-063A is the second hole of the winter 2010 drill program and is the first hole to intersect the newly identified J zone.

Hole WAT10-063A intersected two zones where the intersections met the minimum cut-off grade of 0.05 per cent U₃O₈. Both zones contained anomalous mineralization within a 29-metre-wide zone of alteration and elevated radioactivity from 206.5 m to 235.5 m directly below the unconformity (206.5 metres). Core recovery was generally 100 per cent, but narrow intervals of core loss within the altered zone occurred, notably 215 m to 218 m (87-per-cent recovery) and 221 m to 224 m (72-per-cent recovery). All intersections are downhole, core interval measurements and true thickness is yet to be determined. A summary of the composited assay results for both zones is provided in the table.

Split core samples for geochemical analysis were taken continuously from 206.5 m to 240 m at 0.5-metre intervals. Samples were analyzed for U₃O₈ at SRC Geoscientific Laboratories (an SCC ISO-IEC 17025:2005-accredited facility) of Saskatoon, Sask.

On February 22, Fission and its joint venture partner, the Kepco consortium, announced additional assays from a drill hole, WAT10-066, located immediately south of the high-grade mineralization encountered in the WAT10-063A, which has intersected a 12.0-metre interval at the unconformity (202.0 metres to 214.0 metres) grading 3.64 per cent U₃O₈, including 1.50 metres at 27.38 per cent U₃O₈. The maximum grade identified within the 1.50-metre intercept was 0.50 metre of 45.2 per cent U₃O₈. The table highlights the latest assay results. In addition, further assays for gold and platinum group metals content are forthcoming. These latest results reinforce Fission's belief that the J zone represents a significant new discovery of unconformity mineralization at the company's Waterbury Lake project in the Athabasca basin.

All intersections are downhole, core interval measurements and true thickness are yet to be determined.



Other notable results include hole WAT10-065A which intersected two metres at the unconformity (203.5 metres to 205.5 metres) grading 1.62 per cent U₃O₈ and hole WAT10-64D which assayed 0.10 per cent U₃O₈ over two metres (211.0 metres and 213.5 metres).

The J zone remains open at depth and along strike. Fission plans to continue drilling through February to mid-March. Further results will be provided when available.

Hathor Exploration Ltd. (HAT-TSXV): Intersects Off-Scale Radioactivity in Seven Holes at Roughrider Zone East - On February 22, Hathor's announced that their high-grade discovery made at the end of the 2009 summer drill program has been extended. Highlights include:

- High success rate for follow-up holes at Roughrider Zone East (RRZE), with nine of 13 holes intersecting significant radioactivity. Numerous zones of off-scale radioactivity up to seven metres wide within much broader zones of up to 75 m wide of pervasively altered and continuously radioactive rock;
- Off-scale radioactive zones commonly correlate with core intervals of massive pitchblende;
- Significant vertical extent of radioactivity and alteration, up to 100 m, double that seen at the original Roughrider deposit. The first step-out drill fence of four holes defined a 25 m strike extension to the west;
- RRZE and RRZ have the potential for continuity along 400 m of strike on the controlling 070-degree structure.

Highlights by drill hole include:

- Hole 610: intersected 32.2 m of 500 cps (counts per second), including 7.0 m of off-scale (9,999 cps) radioactivity, within a broader zone of 76.4 m of pervasive alteration and elevated radioactivity;
- Hole 607: intersected 44.7 m of 500 cps, including 3.85 m of off-scale (9,999 cps) radioactivity, within a broader zone of 81.4 m pervasive alteration and elevated radioactivity;
- Hole 612: intersected 19.2 m of pervasive alteration and elevated radioactivity, including 4.9 m of off-scale (9,999 cps) radioactivity;
- Hole 609: intersected 24.2 m of pervasive alteration and elevated radioactivity which included several greater than one m wide zones of off-scale (9,999 cps) radioactivity which total 7.5 m in length;
- Hole 608: intersected 26.9 m of pervasive alteration and variable radioactivity, including 3.35 m of off-scale (9,999 cps) radioactivity.

The Roughrider East Zone, RRZE, was discovered at the end of the 2009 summer drill program in drill hole MWNE-09-170 (28 m of 12.8 per cent U₃O₈; see news in Stockwatch Nov. 12, 2009). It is located approximately 200 m to the east along strike from the original Roughrider deposit (RRZ). The current program has confirmed significant vertical extent to the discovery, with anomalous radioactivity in the



basement extending for 100 m downward from the unconformity. Width is also significant, with the zone of intense alteration and elevated radioactivity extending across more than 75 metres. Finally, the first complete drill fence has established a 25 m strike extension of the RRZE westward toward RRZ. Hathor now recognizes the potential for in excess of 400 m of strike length continuity between drill hole MWNE-09-170 at RRZE and the current western boundary of RRZ. The new discovery, named RRZE (Roughrider Zone East), remains open in all directions; drilling will continue with two rigs at RRZE until the end of the winter season. All intersections are down-hole, core length intervals and true thickness of mineralization is yet to be determined.

The objectives of the current winter drill program at RRZE were to confirm the high-grade mineralization discovered in drill hole MWNE-09-170, establish the geological controls on mineralization and begin delineation drilling of the new zone. All three objectives have been met, and mineralization is now being successfully traced back toward the RRZ. A plan map on the company's website shows the location of the new discovery at RRZE in relation to the Roughrider zone.

A total of 13 drill holes for 6,015.6 m have been completed to date at RRZE in follow-up to MWNE-09-170. Nine of the drill holes have intersected anomalous radioactivity over significant widths (from 20 to 60 metres), seven of which include numerous zones of off-scale radioactivity. A detailed plan map of the RRZE on the company's website shows the location of the holes completed to date, including radioactive zones.

Drill holes MWNE-10-607, MWNE-10-609, MWNE-10-610 and MWNE-10-612 successfully provide a 25 m strike extension to the west toward Roughrider from 09-170, the original discovery hole for RRZE. These drill holes clearly delineate a zone of pervasively altered, radioactive and variably mineralized rock within a panel up of 80 metres wide of basement Wollaston Group pelitic gneisses and Hudsonian pegmatites. The zone dips moderately to the north-northwest and trends 070 degrees. Further, the drill fence indicates that the zone has a vertical extent of up to 100 metres, more than double the vertical extent currently known at the original RRZ.

The three cross-sections shown on the company's website cover Roughrider and RRZE. Over all, the sections provide the framework to understand the potential of the new discovery at RRZE in light of:

- The significant structural thickness (width) of the basement-hosted zone;
- The significant vertical extent of alteration and radioactivity below the unconformity;
- The along-strike potential of the combined Roughrider and new RRZE zones.

Dr. Alistair McCready, Hathor's exploration manager, said: "I find it extremely positive that we have drilled the RRZE from a number of different orientations and each time intersected wide intervals of anomalously radioactive, pervasively altered and variably mineralized rock within which, in every hole, we also intersect numerous subintervals of off-scale radioactivity, irrespective of the orientation of the hole. Further, pervasive alteration and replacement is irrespective of rock types. Together, these features underscore the robustness and prospectivity of the system in three dimensions between and including the Roughrider and new RRZE zones. Over all, the Roughrider system is open along strike in both directions."

The Midwest Northeast property is located along strike to the north of the Midwest and Midwest A uranium deposits. The Roughrider deposit is accessed by a six-kilometre winter road connected to Highway 955. The property is approximately 8.5 km north of the community of Points North, the main service hub for northeastern Saskatchewan (see regional plan map on the company's website).



Individual drill hole radioactivity summaries

Drill hole MWNE-10-610, collared at minus-68 degrees to 155 degrees, intersected 32.2 m of anomalous radioactivity (500 cps) over a broader zone of 76.4 m. The most intense radioactivity occurs from 286.1 to 295.7 m. This 9.6 m section contains 7.0 m of off-scale radioactivity (9,999 cps) and 1.7 m of strong radioactivity (5,000 to 9,998 cps). Numerous other intersections of strong and off-scale radioactivity are also present over the mineralized section.

Drill hole MWNE-10-607, collared at minus-70 degrees to 335 degrees, intersected 44.7 m of anomalous radioactivity (500 cps) over a broader zone of 81.4 m within the basement rocks from 259.6 to 341.0 m. The anomalous zone consists of 22.7 m that ranges between 500 to 1,000 cps, 15.7 m of between 1,000 to 5,000 cps, 2.45 m of between 5,000 and 9,998 cps, and 3.85 m of off-scale radioactivity (9,999 cps). Due to the strong alteration intersected, this drill hole was reduced to BQ-sized drill core at 282 m.

Drill hole MWNE-10-612, collared at minus-72 degrees to 155 degrees from the same set-up as MWNE-10-610, intersected 14.3 m of anomalous radioactivity over a broader zone of 19.2 m. This interval includes 4.9 m of off-scale (9,999 cps) and 1.5 m of strong (5,000 to 9,998 cps) radioactivity.

Drill hole MWNE-10-609, collared at minus-73 degrees to 090 degrees, intersected a 24.2 m wide zone of anomalous radioactivity (greater than 500 cps) over the interval 276.0 to 326.5 m (50.5 m). Within this interval, several zones of radioactivity are recognized, and variable amounts of strong (5,000 to 9,998 cps) and off-scale (9,999 cps) radioactivity totalling 7.5 m are present throughout the interval. Although this drill is easterly dipping, this radioactivity was intersected within same 10 m wide sections as 607 and 610 (sections 20W and 30W). Drill hole MWNE-10-608, collared at minus-70 degrees to 090 degrees from the same set-up as MWNE-10-609, intersected 9.1 m of variably anomalous radioactivity over a broader zone of 26.9 m from 292.20 to 325.70 m depth. The strongest radioactivity is a 3.7 m interval from 293.90 to 297.60 m, that contains 3.35 m of off-scale (9,999 cps) radioactivity. Although dipping to the east, this drill hole intersected radioactivity within the same 10 m wide section line (0E) as MWNE-09-170. The drill hole additionally intersected anomalous radioactivity from 330.90 to 331.60 and from 359.30 to 360.80 m.

Drill hole MWNE-10-602A, collared at minus-78 degrees to 155 degrees, intersected a 5.6 m wide upper zone of anomalous radioactivity, from 260.5 to 266.1 m, that contains 2.8 m of off-scale (9,999 cps) radioactivity and 0.9 m of strong (5,000 to 9,998 cps) radioactivity and, and a 5.3 m lower zone from 303.7 to 309.0 m that contains 0.7 m of off-scale (9,999 cps) and 0.9 m of strong (5,000 to 9,998 cps) radioactivity. In addition to these zones, numerous other smaller zones of variably anomalous radioactivity are present.

Drill hole MWNE-10-604A, collared at minus-83 degrees to 155 degrees, intersected 8.0 m of anomalous radioactivity, from 288.8 to 296.5 m, including 1.9 m of off-scale (9,999 cps) radioactivity.

Drill hole MWNE-10-611, collared at minus-70 degrees to 155 degrees, intersected 1.65 m of anomalous radioactivity reaching up to 5,700 cps. This drill hole is interpreted to be intersected the footwall of the system.

Drill hole MWNE-10-600C, collared at minus-70 degrees to 155 degrees, intersected multiple narrow zones of anomalous (up to 1,400 cps) radioactivity within a broader zone of alteration.

Drill holes MWNE-10-601 and MWNE-10-603, collared at minus-65 degrees to 156.5 degrees and minus-73 degrees to 155 degrees, respectively, did not intersect anomalous radioactivity. Both of these drill holes intersected strong alteration, including approximately 15 m of intense to massive clay alteration in



10-601. Based on knowledge gained from the Roughrider zone, both of these drill holes are considered to be near misses.

Drill hole MWNE-10-606A, collared at minus-74 degrees to 155 degrees approximately 100 m to the north-northwest of 602A, was drilled to provide additional information about the geology and structure in the area. This drill hole did not intersect any anomalous radioactivity.

Drill hole MWNE-10-605, collared at minus-65 degrees to 335 degrees, was designed to test the possibility of north-south steeply dipping mineralization. This drill hole did not intersect any anomalous radioactivity. However, in light of the apparent 070 trend of the mineralization seen in 10-607, 10-609 and 10-610, this drill hole is interpreted to have overshot the east-west target zone.

Terra Ventures owns a 10-per-cent interest, carried until a decision is made to go to production, in the Midwest NorthEast property.

Purepoint Uranium Group Inc. (PTU-TSXV): United Uranium Discontinues Red Willow Claim - On February 25, Purepoint confirmed that United Uranium Corp. has discontinued its action and released Purepoint from any obligation pertaining to a mineral claim staked by Purepoint in December, 2007. The claim in question lies adjacent to Purepoint's Red Willow project and hosts the nose of a fold in the Osprey conductor that is coincident with a magnetic low and soil anomaly outlined last fall. The Osprey conductor is the focus of this year's winter drill program, and limited initial drill testing of the conductor's fold nose is planned. Diamond drill results to date on the Osprey conductor have returned uranium levels as high as 3 per cent U3O8.

"We are pleased to have this distraction behind us so that we can resume the exploration of this promising target zone," said Scott Frostad, vice-president, exploration, of Purepoint Uranium Group Inc. "The geology, geophysics and most recent drill results make the Osprey zone one of our most exciting priorities."

New maps and diagrams outlining the Osprey zone are now available on the company's website.

The Red Willow property consists of eight claims on the eastern edge of the Athabasca basin. The thickness of the Athabasca sandstone varies from zero to 80 metres. The basement rocks are composed of intensely deformed and metamorphosed sedimentary, volcanic and plutonic rocks trending northeast to southwest. Five major uranium deposits, namely JEB, Midwest, Cigar Lake, McArthur River and Millennium, are located along a northeast to southwest mine trend that extends through the Red Willow project.

The Red Willow property adjoins AREVA Resource Canada Inc.'s claim group that contains the JEB, Sue, McClean and Caribou deposits to the west and, to the south adjoins UEX's Hidden Bay property that hosts its Horseshoe, Raven and West Bear deposits and surrounds Cameco Corp.'s Rabbit Lake, Collins Bay and Eagle Point deposits.

Titan Uranium Inc. (TUE-TSXV): Begins 2010 Winter Drilling on Border Block Claims - On February 8, Titan announced that its winter, 2010, drilling program was under way on the Border Block project. Border Block is the subject of a letter of agreement between Titan and Japan Oil, Gas and Metals National Corp., wherein Japan Oil can earn a 50-per-cent, undivided interest in the project by financing



\$6-million in exploration over four years. Japan Oil has elected to accelerate financing by providing an additional \$500,000 during the second earn-in period, which ends March 31, 2010.

Hy-Tech Drilling Ltd. completed mobilization of the drilling crew and equipment to the site. Drilling commenced on Feb. 05, 2010. The planned program of 1,300 metres of diamond drilling will continue to test prospective targets identified by recent time domain electromagnetic (TDEM) surveys.

A drill program consisting of seven holes and 1,604.4 m was completed on the property during the summer of 2009. This program was designed to test favourable uranium targets at or near the unconformity, between the Athabasca sandstone rocks and the underlying basement rocks. Weak hydrothermal alteration was developed in the basement rocks, generally along fractures. Two areas of anomalous U were encountered in the basement rocks -- a three-metre interval of 7.7 to 15.6 parts per million U at a depth of 95.8 to 98.8 m in DDH KNG09-2 and a 20-metre interval of 6.1 to 7.7 ppm U at a depth of 190.0 to 210.0 m in DDH GL09-4.

The Border Block project is located in the southwest area of the Athabasca basin, near the Alberta border, and comprises the Maybelle River, Gartner Lake, King and Castle South Extension properties. The project (76,354 hectares or 188,675 acres) covers an area where historic exploration data identified favourable basement rocks capable of hosting uranium mineralization. The basement rocks are thought to be correlative with those found on the adjacent Areva and UEX Corp.'s Shea Creek project, which hosts significant uranium mineralization in the Anne, Collette and Kianna deposits.

UEX Corp. (UEX-TSX): Receives West Bear Preliminary Feasibility Reporting Probable Reserves Containing 1,492,261 Pounds U₃O₈ at a Grade of 0.94% U₃O₈ - On February 18, UEX received the results of the preliminary feasibility study on the West Bear deposit prepared by Golder Associates Ltd. Upon finalization, the study will be filed on SEDAR and posted on UEX's website.

West Bear is located in the southernmost part of the Hidden Bay project, which also contains the Horseshoe and Raven deposits to the northeast of West Bear. The combined National Instrument 43-101-compliant resource estimate at a cut-off grade of 0.05 per cent U₃O₈ (uranium) for the Horseshoe, Raven and West Bear deposits is 36.623 million pounds of U₃O₈, with an average grade of 0.16 per cent U₃O₈ in the indicated mineral resource category and 2.715 million pounds of U₃O₈ with an average grade of 0.111 per cent U₃O₈ in the inferred mineral resource category. These resources include an NI 43-101-compliant indicated mineral resource estimate previously released in Stockwatch of 1.585 million pounds of U₃O₈ grading 0.843 per cent U₃O₈ at a cut-off of 0.04 per cent U₃O₈ for West Bear.

The study has upgraded the West Bear resource estimate previously released in Stockwatch to a probable mineral reserve estimate of 1,492,261 pounds of U₃O₈ grading 0.94 per cent U₃O₈ at a cut-off of 0.18 per cent U₃O₈, which represents 96 per cent of the mineral resource. The high conversion rate reflects the near-surface nature of the West Bear mineralization, which is amenable to open-cast mining in a shallow pit. The study also reports metallurgical testing resulting in an estimated overall uranium recovery of 95 per cent.

The study presents the base-case scenario uranium price of \$77.73 per pound of U₃O₈, resulting in a net present value of \$23.4-million and an internal rate of return of 118 per cent. The feasibility of West Bear is most sensitive to the uranium price and is moderately sensitive to capital and operating costs.

The uranium price sensitivity analysis is presented on an undiscounted basis, as West Bear would be mined within a period of approximately 12 months. Potentially economic material would be mined using open-pit methods and then transported off of the site to an existing processing facility for custom milling.



Capital costs are estimated to be approximately \$20.8-million and mine closure costs are estimated at \$8.75-million. Working capital requirements are estimated to be approximately \$500,000 per month over the life of the operation. The study concludes with various recommendations regarding environmental, socio-economic, toll-milling and mining matters.

"We are pleased with the preliminary economics of West Bear," said Graham Thody, president and chief executive officer of UEX. He further noted, "West Bear's value will be enhanced as a result of UEX's continued development of its significant Hidden Bay assets, which include the nearby Horseshoe and Raven deposits."