

# Athabasca Basin EXPLORATION UPDATE

June.1.2011

brought to you by: **Purepoint**

Uranium  
Group Inc.

	April 30, 2011	May 31, 2011	Change
Ux Consulting's <b>Spot Price</b>	US\$55.50/lb U <sub>3</sub> O <sub>8</sub>	US\$57.50/lb U <sub>3</sub> O <sub>8</sub>	<b>US \$2.00</b>
Ux Consulting's <b>Term Price</b>	US\$68.00/lb U <sub>3</sub> O <sub>8</sub>	US\$68.00/lb U <sub>3</sub> O <sub>8</sub>	<b>unchanged</b>

## Exploration News:

1. Denison Mines Corp. (TSX-DML): Denison Announces the Start of Summer Exploration Program on the Wheeler River Project
2. Hathor Exploration Limited (TSX- HAT): Hathor Intersects 42.8 M at 3.26% U3O8 to Solidify the Potential of the Far East Zone at Roughrider
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**Denison Mines Corp. (TSX-DML): Denison Announces the Start of Summer Exploration Program on the Wheeler River Project** – On May 30, Denison Mines Corp. provided an update on the upcoming exploration drill program on the Wheeler River project operated by Denison in the Athabasca basin, Saskatchewan. The summer program is anticipated to begin in early June and will involve the drilling of approximately 55 holes for 24,000 metres. This will require three drill rigs, with one rig scheduled to start June 1, and the second and third rigs starting June 15.

### ***Summer drill program***

The summer 2011 drill program will focus on three primary objectives:

- Adding to the existing mineral resource estimates at zones A and B with infill and periphery drill holes. High-grade mineralization intersected this winter (WR-376 and WR-383) suggests extensions of high-grade mineralization along east/west structures. Approximately 65 per cent of the total drilling will be directed to this work;
- Continuing to test the Phoenix deposit's structure/stratigraphy, by stepping out approximately two kilometres to the southwest of zone C, where there is a resistivity anomaly that is proximal to the interpreted quartzite contact;
- Testing along-strike and cross-strike structures that are interpreted to be related to the Phoenix horizon by drilling several holes in the general Phoenix area. The REa trend, a gravity anomaly, and several fences in zone D, immediately north of zone A, will also be targeted.

### ***Winter drill program results***

All assay results from the winter drill program have been received. Previously released eU3O8 probe results (April 29, 2011) are confirmed and expanded by the assay results. The table shows the significant mineral intersections from the winter program.

Hole No.	Depth from (m)	Interval thickness (m)	Grade (%U3O8) (0.05% cut-off)	GT grade x thickness
WR-366	396.5	5.5	0.41	2.3
WR-368	369.0	1.5	2.11	3.2
WR-369	404.8	1.5	1.67	2.5
WR-376	393.0	8.5	12.30	104.6
WR-383	393.0	2.0	3.01	6.0

WR-368 was drilled in zone C, while the remainder of the above intersections were drilled in zone A.

### ***Joint venture participants***

Denison is the operator and holds a 60-per-cent interest in the Wheeler river property. Cameco Corp. holds a 30-per-cent interest and JCU (Canada) Exploration Co. Ltd. holds the remaining 10-per-cent interest. All previous and current drill results from the Phoenix deposit have been tabulated and are presented on Denison's website.



**Hathor Exploration Limited (TSX- HAT): Hathor Intersects 42.8 M at 3.26% U<sub>3</sub>O<sub>8</sub> to Solidify the Potential of the Far East Zone at Roughrider** - On May 11, Hathor Exploration Ltd. released the final assay results from the 2011 winter drill program at the Roughrider uranium deposit in the Athabasca basin, Saskatchewan. The potential for the Far East discovery is solidified by the number and quality of drill hole intersections. Drilling this summer at Roughrider will focus on the potential of the Far East zone.

A total of 19,244 metres were completed in 49 drill holes during the winter program, of which 17 were completed at Far East for a total of 7,587 metres. Fifteen of 17 holes at Far East intersected uranium mineralization over significant widths.

**Highlights:**

- MWNE-11-698 -- 42.8 metres at 3.26 per cent U<sub>3</sub>O<sub>8</sub> including 6.5 m at 10.47 per cent U<sub>3</sub>O<sub>8</sub>;
- MWNE-11-687 -- 45.5 m at 2.05 per cent U<sub>3</sub>O<sub>8</sub>;
- MWNE-11-683 -- 40.5 m at 1.12 per cent U<sub>3</sub>O<sub>8</sub>;
- MWNE-11-692A -- 21.0 m at 3.42 per cent U<sub>3</sub>O<sub>8</sub> and 4.0 m at 5.00 per cent U<sub>3</sub>O<sub>8</sub>;
- MWNE-11-667 -- 37.5 m at 1.57 per cent U<sub>3</sub>O<sub>8</sub>;
- MWNE-11-694 -- 51.0 m at 1.69 per cent U<sub>3</sub>O<sub>8</sub>;
- MWNE-11-696 -- 12.7 m at 3.10 per cent U<sub>3</sub>O<sub>8</sub>.

The Far East zone is located 40 m east of the East zone. Based on a robust geological model, delineation of the Far East zone advanced rapidly following its discovery in February in drill hole MWNE-11-667. Key attributes of the Far East zone include:

- Mineralization is continuous for 40 m along strike in a northeasterly direction.
- Mineral zone is thick, with six oblique intersections of greater than 30 m in core length. Apparent thickness averages 20 to 30 metres.
- Mineralization dips moderately to the northeast, similar to the East zone, and is continuous for 60 metres in the down-dip dimension.
- Mineralization is hosted exclusively within basement rocks, including Wollaston Group pelitic gneiss and graphitic pelitic gneiss, and the Roughrider hangingwall and footwall wedges of granite and granitic gneiss.
- Overall depth is around 350 m, and generally about 150 m below the unconformity.
- Mineralization is monometallic, with very low base metal contents and extremely low contents of deleterious elements such as arsenic and selenium.
- Locally massive and semi-massive uranium mineralization in association with pervasive clay and/or hematite alteration.
- Multiple fluid and fault events evident in mineralization and alteration textures in drill core.

Mineralization at Far East is open both to the east and to the south, and it represents significant upside to the overall resource potential of the Roughrider uranium deposit. This potential at Far East will be the focus of the upcoming summer drill program at Roughrider.

**Winter program summary**

As previously released, the 2011 winter drill program did not intersect any significant mineralization in reconnaissance holes away from the Roughrider uranium deposit. At the East zone, infill drill holes contained variable amounts of uranium mineralization. When available, these assays will be incorporated into an updated resource model for the East zone; a preliminary model based on 2010 data has been developed and is currently being evaluated. Over all, the company's objective is to complete in the fall of



2011 an updated resource estimate for the Roughrider uranium deposit that will encompass all three currently identified zones, West, East and Far East.

**Property description**

The Midwest Northeast property is within the main uranium-producing eastern corridor of the Athabasca basin. The property consists of three claims covering 543 hectares. Infrastructure is excellent. The property is connected to Highway 955 by a six-kilometre winter road. The property is 8.5 km north of the community of Points North and the Points North commercial airport, the main service hub for northeastern Saskatchewan. It is within 25 km of operating uranium mine, mill and tailings facilities established at Rabbit Lake and McClean Lake during the past 35 years of production in the Athabasca.

Terra Ventures Inc. owns a qualified 10-per-cent interest in the largest claim on the property, carried to the completion of a positive feasibility study and announcement of intent for commercial production. Terra and Hathor recently announced (May 9, 2011) execution of a definitive plan of arrangement, which remains subject to a number of conditions including, but not limited to, receipt of all regulatory, court and shareholder approvals, and will result in consolidation of 100-per-cent ownership of the Roughrider uranium deposit.

**Hathor Exploration Limited (TSX- HAT): Roughrider Doubles in Size As Hathor Confirms an Additional 30 M Lbs at 11.58 % U3O8 for the East Zone** – On May 17, Hathor Exploration Ltd. released the first mineral resource estimate for the East zone of the Roughrider uranium deposit located in the Athabasca basin, Saskatchewan (Terra Ventures Inc. owns a qualified 10-per-cent interest in the largest claim on the property, carried to the completion of a positive feasibility study and announcement of intent for commercial production). The estimate identifies 30 million pounds grading 11.58 per cent U3O8, and doubles the overall size of the Roughrider deposit, as currently defined.

The mineral resource statement table shows the resource for the East zone at the Roughrider uranium deposit, as determined by SRK Consulting (Canada) Inc., using the ordinary kriging method. Other tables include the global model quantities table, using various cut-off grades and the total resource table for the Roughrider uranium deposit; this total does not include the recently discovered Far East zone.

*MINERAL RESOURCE STATEMENT FOR THE EAST ZONE, ROUGHRIDER DEPOSIT,  
SRK CONSULTING(i)*

Category	Quantity (Tonnes)	U3O8 (%)	Grade					Se (ppm)	Contained U3O8 (million lb)
			As (%)	Co (%)	Cu (%)	Mo (%)	Ni (%)		
Total inferred	118,000	11.58	0.02	0.01	0.86	0.10	0.02	26.65	30,130,000

(i) Mineral resources are not mineral reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimates. Reported at a cut-off of 0.4 per cent U3O8 based on an underground mining scenario, metallurgical recovery of 98 per cent and metal prices of \$80 (U.S.) per pound of U3O8.



**GLOBAL MODEL QUANTITIES AND GRADE ESTIMATES, EAST ZONE, ROUGHRIDER URANIUM DEPOSIT<sup>(i)</sup>**

Cut-off U3O8 (%)	Quantity (tonnes)	Grade U3O8 (%)	Contained U3O8 (lb)
0.10	119,096	11.48	30,140,000
0.30	118,757	11.51	30,130,000
0.40	118,034	11.58	30,130,000
0.50	116,751	11.70	30,110,000
0.80	112,308	12.14	30,060,000
1.00	108,950	12.49	30,000,000
3.00	88,970	14.88	29,190,000

(i) The reader is cautioned that the figures in this table should not be misconstrued with a mineral resource statement. The figures are only presented to show the sensitivity of the block model estimates to the selection of cut-off grade.

**TOTAL RESOURCES, ROUGHER URANIUM DEPOSIT**

Mineral zone	Footnotes	Category	Quantity (tonnes)	Grade U3O8 (%)	Contained U3O8 (million lb)
East zone	1,3,4	Total inferred	118,000	11.58	30.130
West zone	2,3,5	Total indicated	394,200	1.98	17.207
West zone	2,3,5	Total inferred	43,600	11.03	10.602

- (1) Cut-off of 0.4 per cent U3O8 based on an underground mining scenario
- (2) Cut-off of 0.05 per cent U3O8 based on an open pit, using all material above 200-metre elevation
- (3) Metallurgical recoveries of 98 per cent and metal prices of \$80 (U.S.) per pound of U3O8
- (4) Disclosed in this news release
- (5) Disclosed in news release dated Nov. 30, 2010

**Geological framework**

The East zone is the middle of four zones currently identified at the Roughrider uranium deposit.

The resource model for East zone was developed using data from 21 drill holes completed between September, 2009, and September, 2010. The surface projection has a surface trace approximately 120 metres long in a northeasterly direction, which corresponds to a down-dip length of approximately 125 metres. The East zone is a series of stacked, parallel lenses (greater than 0.5 per cent U3O8) that collectively dip moderately to the northeast. The mineral lenses are separated by intervals of weakly mineralized or non-mineralized rock (less than 0.05 per cent U3O8). The contacts between these zones are sharp. Unlike the West zone, the mineral lenses are not uniformly mantled by a rim of low-grade mineralization. There is abundant low-grade mineralization intersected in drill core which is not included in the mineral lenses of the current resource model, and which represents additional resource potential.





The lenses at East zone span a thickness of up to 40 to 50 metres, with mineralization spanning a vertical extent of up to 80 to 100 metres, starting at approximately 250 metres depth from surface, and about 30 to 50 metres below the unconformity.

As shown in the three-dimensional model for the overall Roughrider uranium deposit, the East zone is positioned along strike but slightly deeper than the West zone. At East zone, mineralization is hosted within basement rocks of both the Wollaston group (pelitic gneisses, graphitic pelitic gneiss) and the hangingwall wedge (granitic gneiss and granites). Over all, the Roughrider uranium system developed atop the Midwest dome of Archean granitic gneiss.

### ***Mineral resource statement***

The mineral resource statement for Roughrider East zone was constructed by SRK. A completed technical report prepared following Canadian Securities Administrators' National Instrument 43-101 will be available on SEDAR within 45 days of this news release.

The boundaries for uranium mineralization were modelled by SRK based on Hathor sectional interpretations for seven high-grade zones and wireframe grade shells generated with Leapfrog software by SRK. The Leapfrog grade shells were generated using a 0.5-per-cent U<sub>3</sub>O<sub>8</sub> threshold. SRK used both the Hathor interpretation and Leapfrog shells to generate a wireframe outline of uranium mineralization (greater than 0.5 per cent U<sub>3</sub>O<sub>8</sub>). All interpreted sections strings were snapped to drill hole intersections where possible.

The database used to evaluate mineral resources for the Roughrider East zone consists of 21 diamond drill holes completed between September, 2009, and September, 2010. The database comprises approximately 368 sample intervals assayed for U<sub>3</sub>O<sub>8</sub> and other metals (including arsenic, cobalt, copper, molybdenum, nickel and selenium), and 46 specific gravity measurements.

All assay intervals within the wireframe solids were composited to 0.5 metre to provide common support for analysis and estimation. Ninety-one per cent of all assays had sample lengths of 0.5 metre. SRK evaluated the impact of high-grade composite outliers in each zone using cumulative probability plots, histograms and examining the spatial distribution of higher grades with respect to other drill holes and adjacent composites. SRK concludes that no significant outliers are present in the database because high grades above the 95th to 98th percentiles for each resource domain are supported by adjacent composites or composites in nearby drill holes with grades ranging from 2.00 to 40.0 per cent U<sub>3</sub>O<sub>8</sub>.

Normal scores variograms were used to model the spatial distribution of U<sub>3</sub>O<sub>8</sub>. A single variogram was developed for the combined zones, as each zone contains too few composites for analysis. Variogram analysis was not conducted on potentially deleterious elements. There is insufficient specific gravity data for variogram analysis. The U<sub>3</sub>O<sub>8</sub> variogram is orientated parallel to the general strike and dip-direction of the resource domains. Variogram model ranges (second structure) are 30 metres by 30 metres by nine metres in the strike, dip direction and normal directions, respectively. The U<sub>3</sub>O<sub>8</sub> variogram model was assumed for the estimation of potentially deleterious elements and specific gravity, excluding domains 4, 5 and 7.



*SUMMARY OF VARIOGRAM MODEL PARAMETERS*

Variable	Domain	Zone	C0	CC	Model	Rx (m)	Ry (m)	Rz (m)	Datamine rotation		Comments
									Z axis	Y axis	
U3O8%	All	All	0.20	0.15	Exponential	15	15	3	130	45	Normal scores

A subblocked model was generated using Datamine Studio 3. The block model coordinates are based on the local UTM grid (NAD 83, zone 13). The parent block size is four by four by two metres in the X, Y and Z directions, respectively. The estimation strategy consists of estimating U3O8, potentially deleterious metals (arsenic, cobalt, copper, molybdenum, nickel and selenium) and specific gravity into a block model informed from composite data and constrained by seven resource domains. Specific gravity was not estimated for domains 4, 5 and 7. Domains 4 and 5 have only two and four composites, respectively and specific gravity was not measured on core samples from domain 7.

U3O8 grades were estimated using three estimation runs using ordinary kriging informed from composite data from each domain, separately. The first estimation run is based on a search ellipse with ranges equal to the largest variogram model structure. The second run considers a search ellipse equal to twice the variogram ranges, while for the third estimation run the search ellipse was generally inflated to four times the variogram ranges. The bulk of blocks are estimated by the first run. The second and third estimation runs add only about 10 and 12 per cent more material, respectively to ensure that all blocks in the resource domains are estimated. Estimation of specific gravity using composites provides the most reasonable results maintaining the variability of the original composites. Specific gravity was estimated using an inverse distance function. For domain 4 the average of two specific gravity composites (2.14) was assigned to all blocks of that domain. Blocks from domain 5 were all assigned as specific gravity value of 2.23, the only data available for that domain. The average of all specific gravity composites was assigned to all blocks for domain 7 (2.74). Only parent blocks were estimated. Subblocks were all assigned parent block values. Potentially deleterious elements (arsenic, cobalt, copper, molybdenum, nickel and selenium) were estimated using ordinary kriging. Variogram models for U3O8 were assumed for these metals. The same estimation parameters as U3O8 were used for estimating these elements.

Estimates were verified by conducting checks on zone 2. Verification procedures included visual examination of block grades to drill hole composites, and comparing estimated grades at zero cut-off to nearest-neighbour estimates and declustered means for each zone. All validation checks confirm that the block estimates are appropriate and reflect the underlying borehole sampling data.

Mineral resources for the Roughrider uranium East zone have been classified according to the "CIM Definition Standards for Mineral Resources and Mineral Reserves" (December, 2005) by G. David Keller, PGeo (APGO No. 1235), and Sebastien Bernier, PGeo (APGO No. 1847), both independent qualified persons as defined by National Instrument 43-101. After review, SRK considers that all modelled blocks in the Roughrider East zone should be classified as inferred within the meaning of CIM definitions because the confidence in the estimates is insufficient to allow the meaningful application of technical and economic parameters or to enable an evaluation of economic viability worthy of public disclosure and justify an indicated classification. Additional infill drilling and sampling is required to support a higher classification. It cannot be assumed that all or any part of an inferred mineral resource will be upgraded to an indicated or measured mineral resource as a result of continued exploration.



### ***Midwest Northeast property***

The Midwest Northeast property is within the main uranium-producing eastern corridor of the Athabasca basin. The property comprises three mineral leases covering 543 hectares. Infrastructure is excellent. The property is connected to Highway 955 by a six-kilometre winter road. The property is 8.5 kilometres north of the community of Points North and the Points North commercial airport, the main service hub for northeastern Saskatchewan. The property is within 25 kilometres of operating uranium mine, mill and tailings facilities established at Rabbit Lake and McClean Lake during the past 35 years of production in the Athabasca.

Terra and Hathor recently announced (May 9, 2011) a definitive plan of arrangement, which remains subject to a number of conditions including, but not limited to, receipt of all regulatory, court and shareholder approvals, and will result in consolidation of 100-per-cent ownership of the Roughrider uranium deposit.

**JNR Resources Inc. (TSXV-JNN): JNR Intersects New Area of Uranium Mineralization on Way Lake Uranium Project** - On May 4, JNR Resources Inc. announced that it had completed the 2011 winter diamond drilling program on the company's 100-per-cent-owned Way Lake uranium project, located 55 kilometres east of the Key Lake uranium mine in the Athabasca basin of Northern Saskatchewan. Anomalous radioactivity with low-grade, basement-hosted uranium mineralization and key geological features were intersected by drilling within a new area, Fraser Lakes North, northeast of Fraser Lakes zone B.

The drilling program consisted of 2,590 metres in 10 holes and focused on several ancillary structural targets related to the Fraser Lakes zone B. Anomalous radioactivity accompanied by significantly disrupted and locally clay-altered Wollaston Group graphitic pelitic gneisses and granitic pegmatites was intersected in six of the 10 holes. These ancillary mineralized zones are located within previously untested portions of a folded, 65-kilometre-long electromagnetic conductor system, hosted by Wollaston Group graphitic pelitic gneisses and uraniumiferous granitic pegmatites. The mineralized zones were discovered by ground prospecting of airborne geophysical targets during the summer of 2008.

The core recovered from the two holes on Fraser Lakes North shows evidence of major structural reactivation, significant clay alteration, uranium remobilization and basinal brine fluid circulation. These features are all prominent characteristics of the most significant basement-hosted uranium deposits in the Athabasca basin, such as the Eagle Point, Millennium, P-Patch and the Roughrider zone.

Four new drill holes from the east-northeast end of Fraser Lakes zone B have extended the mineralized area to approximately 1,200 metres long at a minimum depth of 175 metres. This zone of moderately dipping, multiple stacked uranium and thorium mineralized horizons remains open to the southwest and east-northeast. One of the holes has provided additional evidence for the presence of major east-west and north-south structural corridors that intersect the main northeast-trending EM conductors. These intersecting features are postulated to be controlling structural geochemical traps for the formation of high-grade mineralized zones at Fraser Lakes.

In addition, preliminary analysis of the results from PIMA infrared spectroscopy of the four new drill holes in the T-Bone Lake area (WYL-10-53 and 55: news release June 17, 2010) has indicated a





preponderance of the important pathfinder mineral, illite, within a major clay-filled fault system that was intersected in 2010.

Ken Wasyliuk, chief geochemist for JNR, comments: "The preliminary clay alteration patterns that we are seeing from the PIMA analysis are analogous to those observed at other significant basement-hosted uranium deposits such as Eagle Point, Millennium, P-Patch and the Roughrider zone. In conjunction with the positive geological attributes and anomalous radioactivity, the potential for the discovery of significant high-grade uranium mineralization in the Fraser Lakes district is considered excellent."

The significant uranium and metal endowment in the Fraser Lakes district, combined with the lack of sandstone cover and shallow depth to mineralization, allows for efficient and timely exploration of these targets.

All of the samples have been delivered to the Saskatchewan Research Council Geoanalytical Laboratories in Saskatoon, Sask., a Standards Council of Canada (CCRMP) certified analytical laboratory. Final geochemical results should be received for evaluation by early June, and will be integrated with continuing studies to plan the next phase of drilling.

**Purepoint Uranium Group Inc. (TSXV-PTU): Purepoint Develops 3D Model for Turnor Lake** - On May 11, Purepoint Uranium Group Inc. announced that it had commenced building a series of three-dimensional numerical earth models of the Turnor Lake region in Canada's Athabasca basin to further identify and prioritize drill hole targets for the company's next drill program on this property. The work is being undertaken by Mira Geoscience of Westmount, Que. With offices both in Canada and Australia, Mira specializes in multidisciplinary quantitative data integration using state-of-the-art technology such as Gocad and 3-D geophysical inversion software developed by the University of British Columbia and Fullagar Geophysics. Mira has substantial experience in the Athabasca basin, having worked with clients such as Cameco and Areva.

"Our drill results at Turnor Lake have consistently demonstrated that a widespread uranium mineralizing event occurred on the property," said Scott Frostad, vice-president exploration, Purepoint. "By reanalyzing those geochemical and geological results against our extensive geophysical data within a 3-D model, we will ensure our next drill program is targeting the areas with the best potential for high-grade uranium mineralization."

***Highlights of the Mira targeting workflow process:***

- Three-dimensional data compilation in Gocad;
- Re-examination of each dataset and cross-correlating interpretations to develop and support spatial and quantitative relationships;
- Creation of a 3-D lithological model from interpreted cross-sections, drill hole information and surface/bedrock geology;
- Interpretation of geophysical data in tight integration with the geological model with newly created geophysical inversions, allowing the geophysical data to be represented by a 3-D distribution of physical rock properties (that is, density, susceptibility, resistivity models);
- Computation of geochemistry models using a 3-D geostatistical estimation process similar to grade modelling;
- Performing mineral potential modelling using the Gocad mining suite targeting workflow to extract the best exploration targets.



### ***Turnor Lake***

The Turnor Lake project is 100 per cent owned by Purepoint. This 9,705-hectare property covers graphitic electromagnetic conductors that are directly associated with high-grade uranium showings on adjoining properties, namely Cameco's La Rocque occurrence (up to 33.9 per cent U<sub>3</sub>O<sub>8</sub> over 5.5 metres) to the west and Areva's HLH-50 intercept (5.2 per cent U<sub>3</sub>O<sub>8</sub> over 0.38 m) located to the south. The project lies in close proximity to several uranium deposits, including Midwest Lake, McClean Lake and Eagle Point, and has a shallow depth to the unconformity of less than 200 metres in most areas.

A series of detailed geophysical surveys have been conducted on the property since November, 2006, and numerous drill targets, including EM conductors and structurally complex areas having evidence of intersecting structures, remain untested.

**Titan Uranium Inc. (TSXV-TUE): Titan Uranium Inc. Launches 2011 Exploration Program on Thorburn Lake Project** – On May 9, Titan Uranium Inc. announced that its 2011 exploration program was under way on the Thorburn Lake project. The property comprises two contiguous mineral claims totalling 2,802 hectares in the eastern portion of the Athabasca basin. The planned program will consist of ground direct current (DC) resistivity surveys followed by 2,100 metres of diamond drilling.

The planned geophysical program will consist of 28 line kilometres of pole-dipole DC resistivity surveys to search for alteration chimneys along Titan's Thorburn Lake electromagnetic (TDEM) conductive trend. The combination of TDEM and DC resistivity surveys are effective in detecting conductors and hydrothermal alteration anomalies, respectively. These features are typically found associated with fault zones and unconformity-type uranium deposits in the Athabasca basin. The geophysical surveys will be used to target follow-up drilling of previous results along the Thorburn trend where a 15-metre basal sandstone section in hole TBN-08-04 returned 1.1 to 90.4 parts per million (ppm) uranium, and at the unconformity assayed 487 ppm uranium (0.057 per cent U<sub>3</sub>O<sub>8</sub>) over a 0.60-metre interval (see Aug. 7, 2008, press release). Strong bleaching and clay alteration observed in the basal sandstone, combined with anomalous uranium values and the low-grade uranium mineralization at the unconformity are indicative of a mineralizing hydrothermal system.

The Thorburn Lake project is located in the eastern portion of the Athabasca basin approximately 10 kilometres east of Cameco's Cigar Lake mine and 27 km southwest of Points North landing. Cameco's Sand Lake deposit is located at the eastern end of the Thorburn fault system while the Dawn Lake project (Cameco) Thorburn zone lies just beyond the southeastern edge of Titan's Thorburn Lake project.

**Uravan Minerals Inc. (TSXV-UVN): Uravan Cleared for Drilling at Outer Ring** – On May 9, Uravan Minerals Inc. announced that it had been granted permission by the Saskatchewan Ministry of Environment (SEM) to conduct a five-diamond-drill-hole program on its Outer Ring (OR) project. Final project mobilization and commencement of drilling operations are scheduled for early June, 2011; subsequent to winter breakup.



The OR property was acquired in December, 2009, and is 100 per cent owned by Uravan. The project area is located in the Athabasca basin along the Cable Bay shear zone in the Pasfield Lake area.

Uravan completed a multifaceted surface geochemical program on the OR property in July, 2010. The geochemical data from the OR sampling program capitalized on new geochemical technology developed from a pilot study conducted on the Cigar West uranium deposit (Cigar West Study) (1). The Cigar West study was a collaborative applied research program conducted by Uravan and QFIR (Queen's Facility for Isotope Research) in 2009 over a known high-grade uranium deposit in the Athabasca basin. The study was designed to develop new surface geochemical techniques that can better identify bedrock sources of uranium mineralization at depth. This research clearly identified distinctive elements and isotopic compositions that have been mobilized from the deposit (geosphere) to the surface media (plants and soils) from depths more than 450 metres.

Based on the company's knowledge gained from the Cigar Lake study, encouraging results have been obtained from the OR geochemical program that revealed positive lead (Pb) isotope compositions and associated anomalous pathfinder elements found in certain soil components, vegetation and tree-core samples. These surface anomalies are trending and coincide positively with regional geophysical survey data and other interpreted structural features. Uravan's technical group have defined specific surface geochemical targets that will be tested with five diamond drill holes totalling approximately 5,000 metres of drilling beginning in June, 2011.

The OR property is underexplored compared with the high-grade unconformity-related uranium deposits currently being exploited within the Eastern district of the Athabasca basin. The drill program planned will be the first significant exploration effort conducted in this more basin-ward region and even more significant considering the drilling planned will target surface geochemical anomalies versus blind geophysical (EM) conductors.

(1) The Cigar Lake deposit is on the Waterbury/Cigar uranium property; a joint venture partnership between Cameco Corp., AREVA, Idemitsu Kosan Co. Ltd., and Tokyo Electric Power Co. (TEPCO)) located in the Athabasca basin, Saskatchewan. Uravan thanks both AREVA and Cameco for their collaboration and gracious support for the Cigar West study; and the support provided by the Cigar Lake facility during the company's field operations.

The Queen's Facility for Isotope Research (QFIR) at Queen's University, Ontario, is a state-of-the-art research facility, comprising a group of highly experienced research geochemists. The QFIR lab contains some of the most technologically advanced analytical equipment in Canada. Under the direction of Dr. Kurt Kyser, the QFIR research team is working collaboratively with Uravan's technical group to develop new exploration technologies using applied research.

**Uravan Minerals Inc. (TSXV-UVN): Strategy for Discovery at the Exploration Frontier** – On May 18, Uravan Minerals Inc. announced that it had concluded five major land acquisitions in the Athabasca basin in early 2011 (news releases dated Feb. 3 and March 28, 2011). These new properties, referred to as the Halliday Lake, Poplar Point, Stewardson Lake, Thluicho Lake and Math option properties, plus the existing Outer Ring (OR) and Johannsen Lake (JL) projects, are considered highly prospective and immediately accessible for uranium exploration in this uranium-endowed region.

In early June, 2011, Uravan will be conducting a 5,000-metre diamond drill program on the OR project (news release dated May 9, 2011). In addition to this drill program, Uravan's technical group will conduct multifaceted surface geochemical sampling programs on the Halliday Lake, Stewardson Lake and Math projects, along with additional sampling on the OR project to complement positive geochemical results



obtained in 2010. The sample media will consist of C-horizon soils, vegetation (spruce and/or pine) and tree cores (spruce and/or pine). Depending on the project area, sample spacing will vary from 250 metres to 500 metres on offset grids. These surface programs will result in the collection of approximately 3,300 samples from all media.

The sampling and analytical procedures for these surface programs will follow the same protocols used for the OR and JL sampling programs completed in 2010. All sample material collected (clay separates from the C-horizons soils and vegetation samples) will be analyzed using multielement ICP-MS for 52 elements plus all the REE and Pb isotopes at Acme Labs in Vancouver. Sample preparation on the tree cores and separation of the clay fraction from the C-horizon soils will be completed by the Queen's Facility for Isotope Research (QFIR) at Queen's University. QFIR will also conduct further analytical work on tree cores and clay separates by a multielement analysis for 52 elements plus all the REE and Pb isotopes by high-resolution ICP-MS.

The analytical data resulting from these geochemical surveys and the core from the OR drilling program will be the focus of a new collaborative research study between Uravan and QFIR, and the Natural Sciences and Engineering Research Council of Canada (NSERC) (news release dated April 26, 2011). The goals of this applied research study (titled "Exploration Geochemistry for Deep Uranium Deposits") are: (1) to apply geochemical technologies recently developed by QFIR and Uravan from a pilot study (the Cigar Lake study) for remotely sensing deeply buried deposits on Uravan's Outer Ring (OR) and other Athabasca basin projects; and (2) to develop new geochemical technologies using isotope compositions (such as Li, C, N, Pb and U) for more reliable and definitive indicators of mineralization at depth in these highly prospective but underexplored sandstone basin areas.

The objective of these surface geochemical surveys is to identify the most probable location of unconformity-related uranium deposits at depth. One of Uravan's key strategies is to develop innovative exploration technologies that will vector drilling to get to discovery quicker and more cost effectively in underexplored areas. Larry Lahusen, chief executive officer for Uravan, believes: "To find the next generation of uranium deposits, we need to develop an effective way to identify deeply buried uranium mineralization in underexplored terrain. To accomplish this, understanding the process by which elements move from buried uranium mineralization to near-surface environments where they can be geochemically measured is critical".

Pending positive results from this summer's surface sampling programs, anomalous geochemical targets from the Math and Halliday projects will be drilled by late summer 2011.