

# Athabasca Basin EXPLORATION UPDATE

August.1.2011

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Uranium  
Group Inc.

	June 30, 2011	July 31, 2011	Change
Ux Consulting's <b>Spot Price</b>	US\$54.25/lb U <sub>3</sub> O <sub>8</sub>	US\$51.50/lb U <sub>3</sub> O <sub>8</sub>	<b>US \$2.75</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>

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**Athabasca Uranium Inc. (TSXV-UAX): Athabasca Uranium Acquires Keefe Lake Property Option –**

On July 27, Athabasca Uranium Inc. announced that it had entered into an agreement with an arm's-length vendor by which the company has the option to earn a 100-per-cent interest in the Keefe Lake project in northeast Saskatchewan.

The 12,832-hectare Keefe Lake project consists of three contiguous claims on the eastern margin of the uranium-rich Athabasca basin, the most productive uranium-producing region in the world. The project is approximately 22 kilometres southeast of the McArthur River mine, the world's largest high-grade uranium mine with proven and probable reserves of 335.5 million pounds U<sub>3</sub>O<sub>8</sub> and an average reserve grade of over 15 per cent. The Keefe Lake project was most recently explored by Mega Uranium in 2007-2008, with approximately \$3-million expended on exploration in a two-phase work program that included a mag/EM airborne survey and a high-definition 2-D seismic reflection survey.

The company can earn a 100-per-cent interest in the project by paying an initial \$65,000 and issuing 3.5 million common shares to the vendor on regulatory approval, by completing \$5-million in qualified exploration work on the project within five years, and by making an additional cash payment of \$1.5-million on or before the fifth anniversary of the agreement. A 2-per-cent net smelter return royalty has been granted to the vendor, of which 1 per cent may be purchased by the company for \$1.5-million. The agreement is subject to regulatory approval.

With this acquisition, the company now controls over 52,000 hectares on the shallow eastern side of the Athabasca basin. "The Keefe Lake project is a marquee project which we believe is a true company-maker. The preliminary work already completed there vaults the company forward nearly two full years on the exploration timeline. With one of the most sophisticated ground surveys in the world already completed, the company will be able to immediately prioritize targets for diamond drilling. The acquisition of this project was an opportunity that Athabasca could not pass up -- it is a project that we believe will add value to the company in the near term and for years to come," commented Gil Schneider, Athabasca president and chief executive officer.

In 2008, Aeroquest International Ltd. completed a 737-line-kilometre helicopter-borne geophysical survey over the Keefe Lake property. This geophysical survey consisted of an AeroTEM IV (Oscar system) time domain helicopter electromagnetic survey and a magnetic survey. The survey was flown at 200-metre line spacing in a northwest-southeast flight direction. The survey was successful in delineating multiple EM anomalies coincident with magnetic lows and interpreted faults.

In 2007-2008 Kinetex Resources completed a high-definition 2-D seismic reflection survey on the northern two claim blocks of the Keefe Lake project to: (a) define the unconformity along all the lines and generate a structural depth map of this subsurface contact; and (b) establish relevant structural trends in the basement to identify potential target areas for future mineral exploration. Approximately 50 kilometres of access line over the Keefe Lake project were completed as well as 69 line kilometres of 2-D seismic reflection data acquisition over eight seismic lines. This survey has been performed on several important uranium deposits and mines in the Athabasca basin, including the McArthur River mine and the Millennium deposit. Kinetex also performed this survey for Hathor Exploration, which was instrumental in the discovery of its Roughrider zone.

Processing and interpretation of the survey data were completed by the seismic laboratory of the geology department of the University of Saskatchewan under the supervision of Zoltan Hajnal, PhD, professor of geophysics. The seismic survey was successful in generating high-quality and regionally coherent data sets. The intersecting survey lines provided sufficient information for establishment of the prominent regional structural framework in the prospect area. The data revealed, with significant details, the multiphase deformation of the subsurface. The high level of correlation between the seismic trends and the magnetic signatures is a clear indication that the seismic data reveal structural environments in the basement very promising for mineral exploration in the prospect area.



**CanAlaska Uranium Ltd. (TSX- CVV)/ Westcan Uranium Corp. (TSXV-WCU): Drill Results from Westcan's Grease River Uranium Property** – On July 6, Westcan Uranium Corp. provided results of the winter diamond drilling program completed on the Grease River property, owned by CanAlaska Uranium Ltd., on the north rim of the Athabasca basin of Northern Saskatchewan. Drill holes on the Shearika Ridge intrusive-hosted uranium prospect intersected a wide zone of low-grade uranium, with up to 143 parts per million U<sub>3</sub>O<sub>8</sub> over 102.4 metres and 112 ppm U<sub>3</sub>O<sub>8</sub> over 120.25 metres. The program was executed by CanAlaska Uranium, which is the operator of the project.

Six holes totalling 796.4 metres were drilled on the Shearika Ridge prospect, over a strike length of 360 metres. Uranium mineralization at Shearika Ridge is hosted in a monzodiorite intrusive which is interlayered with metasedimentary gneisses. The monzodiorite returned individual analyses of up to 0.18 per cent U<sub>3</sub>O<sub>8</sub>, but mostly much lower values. A table gives average uranium contents of the monzodiorite sills and intersheeted gneisses.

#### ***Shearika Ridge 2011 Summary of Drill Results***

Hole No.	From (m)	To (m)	Core length (m)	U <sub>3</sub> O <sub>8</sub> (ppm)
GRR001	19.80	114.50	94.70	58
GRR002	64.00	75.30	11.30	83
GRR003	13.70	87.20	73.50	65
includes	13.70	36.50	22.80	158
GRR004	10.90	113.30	102.40	143
GRR005	9.15	129.40	120.25	112
GRR006	51.60	199.15	147.55	76

Chris England, the president and chief executive officer of Westcan, stated, "Core lengths in excess of 100 metres, with average uranium grades above 100 ppm U<sub>3</sub>O<sub>8</sub>, make this an attractive prospect for further exploration, with the possibility of defining a low-grade, potentially open-pittable mineral resource."

In addition to the Shearika Ridge drilling, two holes totalling 123 metres were drilled under the Bradley shear-hosted uranium occurrence, also on the Grease River property. No significant uranium mineralization was encountered.

The property is 100 per cent owned by CanAlaska, and an agreement between both parties has given Westcan the opportunity to earn a 50-per-cent interest in the Grease River property (see Stockwatch news on Aug. 10, 2010). The property comprises 10 claims totalling 38,101 hectares, lying between 10 and 60 kilometres from the edge of the north rim of the Athabasca basin, 50 kilometres northwest of Stony Rapids, Sask.

**CanAlaska Uranium Ltd. (TSX-CVV): CanAlaska Uranium Identifies Multiple Conductors from ZTEM Airborne Geophysics Surveys** – On July 25, CanAlaska Uranium Ltd. announced that it had completed two airborne ZTEM geophysical surveys on its wholly owned Hodgson and Carswell projects in the Athabasca basin, Saskatchewan. The newly developed ZTEM surveys provide a new dimension for surveying electromagnetic targets, and as expected, provide superior detail of conductive zones at depth.

The first ZTEM survey at the Hodgson project identified five areas with significant basement conductors. These conductors identify targets trending northeast, north and northwest in areas where CanAlaska had previously identified AMT geophysical responses and significant surface geochemical anomalies. The



survey has identified 35 kilometres of conductive trends on the project, which is located in the east-central part of the Athabasca basin, 27 kilometres northwest of the McArthur River mine and 21 kilometres west of the Cigar Lake deposit. Exploration to date includes lake sediment geochemistry and ground geophysics and the new ZTEM survey. The reconnaissance ground AMT surveys had confirmed a series of basement conductors and indicated the presence of conductive zones in the sandstones, structures thought to be related to uranium-mineralizing events. The current ZTEM survey mapped these basement conductor patterns in more detail and has given significant information as to the shape and size of these targets.

The second ZTEM survey, which covered CanAlaska's claims on the western portion of the Carswell structure, has confirmed basement conductors in areas where previous VTEM surveys were hampered because of conductive overburden. CanAlaska has assembled a large land position, north and northwest of the new discoveries by Areva and UEX, and west and south of the historic Cluff Lake uranium mines, located within the basement uplift.

CanAlaska president Peter Dasler comments: "Exploration for mineral deposits in the Athabasca basin has benefited greatly from recent advances in geophysical techniques. The two projects surveyed this summer are located near significant uranium deposits in the Athabasca basin, and the results from the current ZTEM survey have generated very strong targets for further exploration."

In other matters the company has recently completed the sale of its historic Zeballos project, and is reviewing the exploration results from mapping and sampling work carried out in the first quarter on its wholly owned gold project in the Reefton goldfield in New Zealand. Compilation work is continuing on the Fond Du Lac project, following the winter drill program, and surface geophysical surveys are near completion at the West McArthur project in the Athabasca basin.

**ESO Uranium Corp. (TSXV-ESO)/ Fission Energy Corp. (TSXV-FIS): More "Off-Scale" Radioactive Boulders and More Claims Located at Fission/ESO Patterson Lake Uranium Property** – On July 5, it was announced that ESO Uranium Corp. and its 50-per-cent joint venture partner, Fission Energy Corp., had completed their boulder prospecting and radon survey program.

An additional 20 radioactive boulders and hot spots were discovered on the Patterson Lake South property claims, for a total of 74.

Of this latest total, 42, or 57 per cent, produced off-scale (greater than 9,999 counts per second) radioactive readings, as measured by hand-held Exploranium GR-110G total count gamma ray scintillometers.

The uranium boulder field now exceeds four kilometres in its longest north-south dimension and is up to 900 metres in its east-west dimension.

Four claims comprising an area of 12,217 hectares (30,000 acres) have been acquired by staking, bringing the combined landholdings to 12 claims totalling 25,450 hectares (63,000 acres) covering the southwest extension of the Derkson Conductor corridor.

Samples have been submitted to SRC Geoanalytical Laboratories (an SCC ISO/IEC 17025:2005-accredited facility) of Saskatoon for analysis. Assays will be reported when available.



A summary of the boulder and soil descriptions, in addition to a map updating the new claim boundaries at Patterson Lake, can be reviewed on the company's website.

The Patterson Lake property is accessible by all-weather Highway 955, which runs north to the former Cluff Lake mine (greater than 60 million pounds of U<sub>3</sub>O<sub>8</sub> produced). Several of the deposits that made up the Cluff Lake mine were located by following up uranium boulder fields significantly smaller than the one discovered by the joint venture. The next challenge for the joint venture is to locate and define the source of its uranium boulders. If the source is located it will then be necessary to determine its economic potential. Work will also be undertaken to assess the possibility that the boulder field itself could be an economic deposit of uranium mineralization.

**ESO Uranium Corp. (TSXV- ESO)/ Fission Energy Corp. (TSXV-FIS): Fission/ESO Patterson Lake South JV Reports High Grade Boulders up to 39.6% U<sub>3</sub>O<sub>8</sub>** – On July 27, it was announced that Fission Energy Corp. and its 50-per-cent joint venture partner, ESO Uranium Corp., have released results from their boulder prospecting and radon survey program. A total of 74 boulder and mineralized soil samples were submitted for assay with the boulders ranging in size from gravel material to mineralized cobbles and boulders up to 45 by 35 by 30 centimetres.

Highlights of the results are as follows:

- Twenty-five high-grade boulders with grades over 10 per cent U<sub>3</sub>O<sub>8</sub> are reported with the highest grade assaying at 39.6 per cent U<sub>3</sub>O<sub>8</sub> from a cobble five by four by four centimetres. The largest boulder sampled assayed 25.7 per cent U<sub>3</sub>O<sub>8</sub> and was greater than 40 centimetres in its longest dimension from a partially recovered block at depth of 90 centimetres.
- Twenty-three boulders assayed between 1.0 per cent U<sub>3</sub>O<sub>8</sub> to 10 per cent U<sub>3</sub>O<sub>8</sub>.

A complete summary of the uranium assays, boulder sizes and sample depths, and a location map can be found on the company's website.

The uranium boulder field has now been traced for a north-south length of approximately five kilometres and is up to 0.9 kilometre wide. This large distribution of mineralized boulders may represent debris from more than one mineralized source from the up-ice direction. Analysis of previous exploration reports from the Cluff Lake mines area suggests an up-ice distance from the uranium boulder field to the former open pit mines of two to three kilometres, and that the boulders were transported in an east-northeast direction. The largest boulders in the new discovery are located close to this distance (three kilometres) on the down-ice direction from the Patterson conductor corridor, where conductors identified from historical airborne and ground surveys appear to be disrupted by cross-structures. Radon anomalies are located both over the boulder field and over a target area near Patterson Lake, also in close proximity to the disruption area in the conductor corridor.

The composition of the rock types in the boulder train indicates that the source mineralization may be a basement-hosted system in an area where the Athabasca sedimentary rocks have been scraped away by ice action. The depth to the basement is expected to be less than 100 metres in the project area. The substantial size of many of the well-mineralized boulders, which can be easily crushed to sand- and gravel-sized material, suggests that the travel distance from source could be comparable with the Cluff Lake mine area, located 80 kilometres to the north of the Patterson Lake south boulder field discovery.



Paul Ramaekers, PGeol, and Roger Thomas, PGeol, have acted as consultants to the project. With a combined 80 years experience in glacial geology and transport processes, their primary task has been to provide guidance in retracing the ice direction to locate the source of the anomalous boulders. The JV's technical team is reviewing the current data sets in order to plan the next phase of work, which will include ground geophysics focusing on the east-northeast-trending conductors as a possible source, trenching within the boulder field and establishing drill targets for a fall-winter 2011 program.

The boulder and soil samples were analyzed by SRC Geoanalytical Laboratories (an SCC ISO/IEC 17025: 2005 accredited facility) of Saskatoon for analysis, which included a 63-element inductively coupled plasma optical emission spectrometry, uranium by fluorimetry (partial digestion). The partial analysis of uranium is done to make an initial check on the availability of the contained uranium in the sample for extraction by conventional metallurgical technology.

The uranium assays should not be averaged to determine the average grade of the boulder field as each sample represents a point sample located with a scintillometer and hand digging to excavate the sample. These samples are surrounded by large amounts of unmineralized material. The area of the boulder field is expected to be very much larger than the source area of the mineralization.

**Fission Energy Corp. (TSXV-FIS): Fission Energy Corp.: Waterbury Lake Winter 2011 Drill Assays Delineate J Zone Increase Over 300% Strike Length from 2010** – On July 26, Fission Energy Corp. and its limited partner, the Korea Waterbury Uranium LP, released the final assay results from their Waterbury Lake 2011 winter program. A total of 26,305 metres were completed in 82 holes, of which 53 holes were completed in the high-grade J zone uranium deposit. Ten holes were drilled at PKB, two at J East and nine regional exploration holes in the Discovery Bay corridor. An additional eight exploration holes were drilled in the Oban corridor, located four kilometres north of the J zone. Over all, three new mineralized uranium discoveries were made during last winter's program, including two in the east-west-trending Discovery Bay corridor, PKB and hole WAT11-153A, and also in the east-west-oriented Oban corridor. Fission's \$3.6-million 2011 summer exploration program (see press release dated June 13), which includes 7,400 metres of follow-up drilling at the J zone, PKB, hole WAT11-153A and Oban, in addition to new exploration targets at Murphy Lake, is continuing and is expected to be completed before the end of July.

Complete uranium assays and updated drill location maps can be found on the company's website.

### ***Key highlights of the program***

#### *J zone summary*

Thirty of the 53 holes drilled in the J zone intersected uranium mineralization for a 57-per-cent drilling success rate. Fourteen holes were reported earlier (see press release dated March 29), which included the strongest high-grade uranium intersection at the J zone to date: 14.5 metres grading 7.84 per cent U<sub>3</sub>O<sub>8</sub>, including 2.0 m of 46.15 per cent U<sub>3</sub>O<sub>8</sub>. The J zone consists primarily of high-grade uranium mineralization. A separate zone of structurally controlled basement mineralization continues 90 m beyond the western extent of the unconformity mineralization. Over all, drilling successfully expanded the J zone to an east-west strike length of 370 m; more than triple the length from the previous summer 2010 program. The J zone unconformity mineralization remains open laterally in all directions (see press release dated April 27), as well the steeper-dipping basement mineralization remains open.



*Selected final results include:*

- Hole WAT11-137B (line 135W), collared 27 m grid west of hole WAT11-117A, intersected 7.0 m at the unconformity grading 2.27 per cent U308 (193.00 m to 200.00 m) including 1.5 m of 5.66 per cent U308 (194.00 m to 195.50 m).
- Hole WAT11-146 (line 150W), a 75 m vertical step-out from hole WAT11-103 (15.5 m of 5.55 per cent U308, including 2.5 m grading 32.39 per cent U308), intersected 13.5 m at the unconformity grading 0.79 per cent U308 (193 m to 206.5 m) including 2.50 m of 2.24 per cent U308 (198.00 m to 200.5 m).
- Hole WAT11-149 (line 150W), a vertical step-out collared 10 m west of hole WAT11-131, intersected 11.5 m at the unconformity grading 0.85 per cent U308 (202.00 m to 213.50 m), including 2.50 m of 2.62 per cent U308 (210.50 m to 213.00 m).
- Hole WAT11-154 (line 150W), a vertical step-out collared 10 m north of hole WAT11-149, intersected 9.5 m at the unconformity grading 0.52 per cent U308 (194.5 m to 204.00 m), including 1.50 of 1.59 per cent U308 (201.00 m to 202.50 m).
- Of the seven holes which identified new basement mineralization on the western perimeter, below the overlapping unconformity mineralization from line 225W to line 315W, the best results were found in hole WAT11-188, which included 6.50 m grading 0.30 per cent U308 (234.75 m to 241.25 m) and 3.50 m of 0.45 per cent U308 (259.50 m to 263.00 m).

*Regional exploration summary*

**PKB**

PKB is located approximately 90 m to the west of the J zone. Of the 10 holes drilled this winter, eight intersected mineralization at or near the unconformity, for an 80-per-cent success ratio. Mineralization has been defined over an east-west strike length of 45 m and up to 40 m wide north-south. PKB remains open in all directions. The best results include:

- Hole WAT11-122 intersected 5.0 m at the unconformity grading 0.52 per cent U308.
- Hole WAT11-133 intersected variable mineralization at the unconformity, including 1.0 m grading 1.40 per cent U308.
- Hole WAT11-160 intersected 4.0 m grading 0.25 per cent U308.
- Hole WAT11-153A, which intersected mineralization near the unconformity approximately 1.5 kilometres west of the J zone (see news release dated March 1, 2011), is the farthest hole drilled west of the J zone to date. It intersected 1.50 m grading 0.23 per cent U308 (267.50 m to 269.00 m) and 1.0 m of 0.09 per cent U308 (271.50 m to 272.50 m).

**Oban**

Oban is a highly prospective corridor that parallels the Discovery Bay corridor located approximately four km to the south. Oban is characterized by a low magnetic signature with greater than four km of discrete electromagnetic conductors. Resistivity surveys have identified zones of resistivity lows along these conductive trends. A total of eight exploration drill holes were drilled to test the extensive resistivity lows in proximity to the EM conductors.

Significantly, these drill holes are characterized by well-developed hydrothermal alteration (bleaching, localized limonite and hematite clay alteration) and coincident radioactivity, associated with favourable graphite and sulphide-bearing metapelitic basement rocks, comparable with the early findings in the Discovery Bay corridor prior to the J zone discovery. Hole WAT11-172 had the best results, intersecting



0.50 m grading 0.10 per cent U3O8 (263.00 m to 263.50 m) and 0.50 of 0.07 per cent U3O8 (265.50 m to 266 m). Oban remains a high priority target.

Split core samples from the mineralized section of core will be taken continuously through the mineralized intervals and submitted to SRC Geoanalytical Laboratories (an SCC ISO/IEC 17025: 2005 accredited facility) of Saskatoon for analysis, which includes U3O8 (weight per cent) and fire assay for gold. All samples sent for analysis will include a 63-element ICP-OES, uranium by fluorimetry (partial digestion) and boron.

Korea Waterbury Uranium LP is a consortium primarily consisting of Korean-based companies. The consortium is led by Korea Electric Power (KEPCO). Other participating companies include: Korea Hydro & Nuclear Power, Korea Nuclear Fuel Co., Hanwha Corp., and Gravis Capital Corp., a private Canadian uranium investment company.

**Hathor Exploration Limited (TSX- HAT)/ Terra Ventures Inc. (TSXV-TAS): Hathor Intersects 52 M at 2.40% U3O8, Including 9.5 M at 5.61% U3O8 and Confirms Potential for Far East Zone as Roughrider Drilling Continues**

– On July 26, Hathor Exploration Ltd. provided assay results from drill hole MWNE-11-700, the first complete set of drill hole assays received from the continuing 2011 summer drill program at the company's Roughrider project in the Athabasca basin, Saskatchewan. Based on the success of drilling to date, the program, originally planned for 7,500 metres to be completed over six weeks, has been extended to target 10,000 metres and is anticipated to be completed by early August.

Drill hole MWNE-11-700 has intersected significant new uranium mineralization at Far East. The main intersection composites 51.5 metres at 2.4 per cent U3O8, comprising three lenses of mineralization separated by two narrow zones of altered but unmineralized rock. Summary assays are given in the table.

DDH	From (m)	To (m)	Interval (m)		U3O8 (%)
MWNE-11-700	341	392.5	51.5		2.40
comprising	341	365	24		0.74
comprising	365	367	2	less than	0.01
comprising	367	380	13		4.01
comprising	380	383	3	less than	0.01
comprising	383	392.5	9.5		5.61

Individual zones were composited using a maximum internal dilution width of 1.5 metres, based on a cut-off of 0.05 per cent U3O8. All intervals are core lengths.

Alistair McCready, vice-president, exploration, at Hathor, says: "It is worth remembering the grade-thickness number for this hole is of the same calibre as drill hole MWNE-08-12, the discovery hole at West zone in 2008. Some 2.5 years after the discovery hole, the Roughrider deposit continues to produce evidence for a large and vigorous hydrothermal system."

The table provides a select list of drill hole intersections completed to date from Far East.





DDH	Interval (m)	U308 (%)	Grade thickness
MWNE-11-700	51.5	2.40	123.6
including	13.0	4.01	
MWNE-11-698	42.8	3.26	139.5
including	6.5	10.47	
MWNE-11-687	45.5	2.05	93.3
MWNE-11-683	40.5	1.12	45.4
MWNE-11-692A	21.0	3.42	71.8
and	4.0	5.00	20.0
MWNE-11-667	37.5	1.57	58.9
MWNE-11-694	51.0	1.69	86.2
MWNE-11-696	12.7	3.10	39.4

All drill holes are vertical; all intervals are core lengths.

Hathor is also pleased to provide an update on the overall summer drill program. A total of 12 drill holes have been completed, including MWNE-11-700. All drill holes have intersected variable amounts of anomalous radioactivity (greater than 500 counts per minute), and nine have intersected more than one metre of combined off-scale radioactivity (greater than 9,999 counts per minute). A summary of anomalous radioactivity is provided in the table, and complete downhole radiometric data are provided in the table and are available on the company's website.

The Far East zone is the focus of all drilling during the 2011 summer program.

The Far East zone was discovered in February, 2011, and remains open to the south and east. Resource estimates for West and East zones were released on Nov. 30, 2010, and May 17, 2011, respectively, and are available on SEDAR. Attributes of the Far East zone include:

- The outline of Far East is defined by continuous mineralization among 20 drill holes.
- The surface trace of Far East extends for 70 metres along a northeasterly strike.
- The dip of Far East is moderate to the north-northeast.
- Mineralized intersections are broad and commonly exceed 40 metres in core length.
- Mineral zones are basement hosted and start approximately 150 metres below the unconformity.

The Roughrider hydrothermal system remains robust and dynamic at Far East. Attributes include:

- Replacement by massive and semi-massive pitchblende mineralization;
- Dynamic structural remobilization of basement-hosted mineralization;
- Clay and hematite alteration is pervasive throughout the composite intervals.

As summarized by Dr. Michael Gunning, president and chief executive officer at Hathor: "It is suffice to say that results from Far East continue to surpass our expectations. The grade-thickness attributes, the continuity of mineralization from hole to hole, the occurrence of locally massive mineralization, and the extent of clay and hematite alteration at Far East provide evidence for a hydrothermal system at Roughrider that is more extensive than first thought, one capable of intense replacement-style mineralization over more than 200 metres vertically and some 600 metres laterally. Indeed, Roughrider is proving to be an extremely robust system, above average even by Athabasca basin standards."



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

The Midwest Northeast property is located within the main uranium-producing eastern corridor of the Athabasca basin. The property comprises three mineral leases covering 598 hectares. Infrastructure is excellent. The property is connected to Highway 905 by a six-kilometre winter road. The property is 8.5 kilometres north of the infrastructure centre 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 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) 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 would result in consolidation of 100-per-cent ownership of the Roughrider uranium deposit. The meeting date for the Terra shareholder vote is set for Aug. 2, 2011.

**JNR Resources Inc. (TSXV-JNN): JNR Extends Areas of Uranium Mineralization at Way Lake** – On July 21, JNR Resources Inc. provided geoanalytical results from 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. Drilling has extended the Fraser Lakes zone B to the east-northeast, and anomalous uranium-thorium mineralization has been intersected in a new area, Fraser Lakes North.

The 2011 drilling program comprised 2,590 metres in 10 holes. Four holes tested the east-northeast extension of the Fraser Lakes zone B. Six holes tested ancillary structural/mineralized targets related to the Fraser Lakes zone B, located within previously untested portions of a folded, 65-kilometre-long electromagnetic graphite-sulphide-rich conductor system. Six of the 10 drill holes intersected anomalous radioactivity accompanied by significantly disrupted and locally clay-altered Wollaston-group graphitic-pelitic gneisses and uraniferous-granitic pegmatites.

Multiple intervals of uranium and/or thorium (U-Th) mineralization were intersected in four new holes (WYL-11-68, -69, -70 and -71; see the table) that tested Fraser Lakes zone B on its east-northeast end. The better U-Th intersections occur in drill holes WYL-11-68, -70 and -71, and are accompanied by highly anomalous concentrations of base metals and rare-earth-element (REE) enrichment. At a cut-off grade of 0.025 per cent U<sub>3</sub>O<sub>8</sub>, the results from WYL-11-68 and -70 are impressive. To date, drilling of this zone has identified an extensive area approximately 1,250 metres long by 650 metres wide of moderately dipping, multiple stacked uranium- and thorium-mineralized horizons, which are open to the southwest and east-northeast to a depth of at least 175 metres.

Anomalous radioactivity was intersected within a new area, Fraser Lakes North, located five kilometres northeast of Fraser Lakes zone B. Drill holes WYL-11-73 and -74 (see the table) report low-grade, basement-hosted U-Th mineralization in graphitic-pelitic gneisses and granitic pegmatites. These holes also exhibit evidence for major structural reactivation, significant clay alteration, uranium remobilization and basinal brine fluid circulation.

The exceptional exploration potential of the Fraser Lakes area is further supported by geoanalytical results from PIMA infrared spectroscopy of four holes drilled in the T-Bone Lake area (see news release June 17, 2010), located four kilometres west-southwest of Fraser Lakes North and due north of Fraser

Lakes zone B. These results indicate a preponderance of the important pathfinder mineral, illite, within a major clay-filled fault system that was intersected in 2010.

Dave Billard, vice-president, exploration, and chief operating officer for JNR, comments: "These results confirm that the Fraser Lakes district has significant exploration upside, with many targets having the potential to host high-grade uranium mineralization. Geological and geochemical features identified in the Fraser Lakes district show distinct similarities to high-grade, basement-hosted discoveries in the Athabasca basin, such as Cameco's Millennium and Hathor's Roughrider deposits."

Results from the 2011 drilling program continue to demonstrate the significant uranium and metal endowment within the Fraser Lakes district and will be integrated within continuing exploration models to plan and facilitate JNR's next phase of drilling new targets.

**Fraser Lakes Area -- Significant Drill Results**

DDH No.	From (m)	To (m)	Width (m)	U3O8 (%)	ThO2 (%)	Other metals (%)
WYL-11-68	164.00	166.00	2.00	0.029	0.031	Cu 0.015, V 0.012, Zn 0.013
	172.00	173.00	1.00	0.074	0.088	Cu 0.017, Pb 0.025
	173.50	174.50	1.00	0.035	0.039	Cu 0.074, Pb 0.011
	209.50	211.00	1.50	0.028		Anomalous Th, Pb
	212.00	213.50	1.50	0.05	0.031	Pb 0.015
	232.80	233.50	0.70		0.034	Anomalous U, Cu, Pb and Zn
	281.60	282.10	0.50	0.076	0.181	Pb 0.02, Zn 0.019
WYL-11-69	135.50	136.50	1.00	0.033	0.039	Cu 0.012
	137.50	138.00	0.50			Cu 0.044, V 0.009, Zn 0.008
WYL-11-70	99.50	100.00	0.50		0.051	Anomalous U
	190.50	192.50	1.50			Cu 0.012, Ni 0.03, V 0.041, Zn 0.065
	198.20	199.20	1.00	0.098	0.080	Pb 0.024, Zn 0.033
	208.00	211.00	3.00	0.053	0.054	Mo 0.017, Pb 0.018, V 0.01
	212.80	213.80	1.00	0.038	0.029	Pb 0.014, Zn 0.012
	214.00	214.50	0.50	0.024		Anomalous Mo, Th
	217.20	217.70	0.50	0.044	0.030	
	218.20	218.70	0.50	0.045	0.040	Mo 0.019
	220.50	221.00	0.50	0.025	0.023	
	225.40	226.40	1.00	0.036	0.049	Cu 0.022, Mo 0.013, Zn 0.012
	234.50	236.00	1.50	0.025	0.021	
260.00	262.00	2.00	0.043	0.027	Anomalous Pb	
WYL-11-71	144.50	145.50	1.00		0.046	
	148.00	149.50	1.50			Anomalous Th, V, Zn
	150.50	151.00	0.50		0.047	Anomalous Mo, U
	153.50	154.50	1.00		0.028	
	212.00	214.00	2.00			Cu 0.031, Ni 0.041, V 0.039, Zn 0.02
	216.50	217.50	1.00			Cu 0.012, Ni 0.03, V 0.027
	247.00	252.50	5.50			Cu 0.023, V 0.017, Zn .014
287.75	288.00	0.25			Cu 0.51, V 0.015, Zn .009	
WYL-11-72	142.50	143.50	1.00			Ni 0.023, V 0.024, Zn 0.027
WYL-11-73	135.00	135.50	0.50		0.022	Anomalous U
	197.50	203.00	5.50			Cu 0.023, Ni 0.039, V 0.041, Zn 0.061
including	197.50	199.00	1.50	0.002	0.002	Mo 0.01, Ni 0.049, V 0.056, Zn 0.176
WYL-11-74	41.00	43.50	2.50			Anomalous U, Th



123.00 125.50 2.50

Cu 0.011, V 0.016, Zn .015

*Note:*

All holes were drilled at a 45- to 50-degree angle across the lithostratigraphic/radioactive horizons on sections consisting of at least two drill holes. Widths represent downhole core lengths; true widths cannot be reliably estimated at this time. Cut-offs of 0.025 per cent U<sub>3</sub>O<sub>8</sub> and 0.030 per cent ThO<sub>2</sub> were applied.

**Pitchstone Exploration Ltd. (TSXV-PXP): Pitchstone Begins Athabasca Drilling** – On July 28, Pitchstone Exploration Ltd. announced that it had begun uranium exploration drilling to follow up mineralization intersected in the Athabasca basin.

Core drilling has begun on the 100-per-cent-owned Gumboot property in the eastern Athabasca basin. Approximately 2,300 metres will be completed at Gumboot over the next month. Targets will be extensions of the mineralization and alteration drilled previously. The first drill hole will be a step-out hole along strike from GB11-23, which intersected 1.47 per cent U<sub>3</sub>O<sub>8</sub> and 2.45 per cent nickel over 0.1 metre within a much longer interval of moderate to intense hydrothermal alteration (see March 21, 2011, news release).

After the Gumboot program, the drill will be moved to the Wolverine property for an additional 2,000-metre drilling program to follow up on mineralization drilled in 2010 (see Aug. 18, 2010, news release). Wolverine was optioned to Japan Oil, Gas and Metals National Corp. (JOGMEC) in 2009. All exploration on Wolverine is being financed by JOGMEC.

Sample preparation and analyses were done by SRC Geoanalytical Laboratories, Saskatoon. A partial digestion with fluorimetric analysis was used for initial uranium determinations, and then all samples containing greater than 100 parts per million uranium were reanalyzed with ICP. Pitchstone uses internally and externally submitted standard reference materials for quality assurance and quality control of the sample preparation and analyses. There is insufficient information to estimate the true thickness of the intersections.

**Uravan Minerals Inc. (TSXV-UVN): Encouraging Results from Outer Ring Drilling** – On July 11, Uravan Minerals Inc. announced that it had commenced diamond drilling on its Outer Ring (OR) project in the Pasfield Lake area of the Athabasca basin (see note No. 3 at the end of this news release) in early June, 2011. The first two drill holes, OR11-001 and OR11-002, were recently completed, totalling 1,636 metres drilled (776 metres and 860 metres, respectively). These are the first of a five-hole, 5,000-metre diamond drill program.

Preliminary results for drill holes OR11-001 and OR11-002 were obtained from downhole natural gamma surveys (description follows). Both holes intersected zones of high radioactivity (GR) significantly above background levels (greater than 7.5 times the background) occurring over broad intervals in the Athabasca sandstone at the unconformity (defined as the contact between the Athabasca sandstone and the underlying crystalline basement rocks) and in basement rocks for several metres below the unconformity.



Drill hole OR11-001 intersected 9.9 metres (662.45 metres to 672.35 metres) of high radioactivity averaging 432 API (American Petroleum Institute (see note)) units (greater than 7.5 times the background), including 1,310 peak counts in the Athabasca sandstone at the unconformity.

Drill hole OR11-002 encountered two zones of high radioactivity:

- One occurring in the Athabasca sandstone at the unconformity averaging 349 API units over 13.4 metres (724.58 metres to 737.98 metres), including 1,249 peak counts;
- A second intersection occurring in basement rocks, about 25 metres below the unconformity, averaging 475 API units over 9.75 metres (763.18 metres to 772.93 metres).

### **Note**

An API unit is a standard measurement of gamma radiation encountered in borehole surveying by natural gamma probes. The radioactivity levels indicated in this news release are considered significant, albeit not quantitative, and represent the presence of uranium concentrations that are several levels above normal background radioactivity. All zones of high radioactivity reported in this news release will be systematically sampled and assayed for their uranium concentrations.

In addition to the zones of high radioactivity described herein, both drill holes intersected other favourable geological features, such as sporadic bleaching and fracturing throughout the Athabasca sandstone section, and the presence of illite clay alteration at the unconformity. In the basement, drill hole OR11-002 encountered abundant fracturing throughout most of the cored section, with a well-developed fault zone observed from about 838 metres to 842 metres. The areas of abundant fracturing were also accompanied by high radioactivity of greater than 400 API units over several metres.

The five-hole OR diamond drill program has targeted select surface geochemical signatures identified by Uravan's technical group and collaborative research partners (see note No. 2) arising from a multifaceted surface sampling program completed over the property in 2010. This surface geochemical program capitalized on new innovative geochemical technologies developed from a pilot study conducted on the Cigar West uranium deposit (see note No. 1). By using these exploration techniques, verified from the Cigar West study, positive isotopic compositions and associated anomalous pathfinder elements were identified in certain soil components, vegetation and tree-core samples over the project area. These surface anomalies correlate positively with regional geophysical survey trends and other interpreted structural features, and potentially represent signatures of mobile elements derived directly from bedrock sources of unconformity-related uranium mineralization.

The intersections of high radioactivity in these drill holes are highly encouraging and, most importantly, they begin to validate the surface geochemical signatures previously obtained in 2010.

Larry Lahusen, chief executive officer of Uravan, states: "I believe these intersections of high radioactivity are significant and potentially represent the presence nearby of important unconformity-hosted and basement-hosted economic uranium mineralization. Of note, the occurrence of high levels of radioactivity in these initial drill holes is preliminary confirmation of the validity our surface geochemical approach."

Drill depths to the unconformity in drill holes OR11-001 and OR11-002 were 673 metres and 736 metres, respectively, shallower than the 850 metres originally estimated. The shallower depths to the unconformity are strategically positive, thereby providing shallow drill depths for future drilling in the area. The shallower drill depths are believed to be the direct results of structural uplift east of the Pasfield Lake area due to the reactivation of basement structures. The reactivation of basement faults is a key



component required for the occurrence and positioning of large high-grade unconformity-type uranium deposits in the Athabasca basin.

Both drill holes OR11-001 and OR11-002 were probed using a suite of high-resolution (10-centimetre increments) downhole geophysical survey tools consisting of natural gamma, neutron, gamma-gamma density and electric resistivity/spontaneous potential. The logging equipment and operational expertise are provided by DGI Geoscience Inc., which is based out of Toronto. This suite of borehole survey tools has provided accurate and continuous downhole logs of physical rock properties. This allows Uravan's technical group to link the geophysical data to other critical whole rock analytical data, spectral clay mineralogy and lithological data collected from core.

The drill core will be routinely sampled and assayed by multielement ICP-MS for 52 elements plus all the rare earth element and lead isotopes at Acme Labs in Vancouver.

The OR drill program is managed and directed by Uravan's technical group. Drilling operations are being performed by Bryson Drilling Ltd. from Archerwill, Sask.

Drilling operations are proceeding on schedule. Drill hole OR11-003 is currently being drilled. Other preliminary results will be announced as the program progresses.

Dr. Colin Dunn, PGeo, technical adviser for Uravan, is the qualified person for the purposes of National Instrument 43-101 with respect to the technical information in this press release.

*Notes:*

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 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 greater than 450 metres.
2. 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. Dr. Dunn, an independent specialist in biogeochemistry, is working closely with Uravan's technical group and QFIR to advance the interpretation of biogeochemical results. Dr. Kyser and Dr. Dunn are key technical advisers for Uravan.
3. The Athabasca basin is the most significant uranium district in Canada and globally, representing 28 per cent of the world's primary uranium production. The interior of the Athabasca basin, which includes the OR property, is underexplored relative to the high-grade unconformity-related uranium deposits currently being exploited near the eastern margin of the basin. The OR drill program will be the first significant exploration effort conducted in this more basin-ward region. It is even more significant considering that the drilling is targeting surface geochemical anomalies versus conventional blind geophysical (electromagnetic) conductors.