

# Athabasca Basin EXPLORATION UPDATE

October.1.2011

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Uranium  
Group Inc.

	August 31, 2011	September 30, 2011	Change
Ux Consulting's <b>Spot Price</b>	US\$49.00/lb U <sub>3</sub> O <sub>8</sub>	US\$52.50/lb U <sub>3</sub> O <sub>8</sub>	<b>US \$3.50</b>

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**Athabasca Uranium Inc. (TSXV-UAX): Athabasca Uranium Provides Keefe Lake Exploration Update** – On September 7, Athabasca Uranium Inc. announced that it was in the final stages of preparing for its diamond drill program at the Keefe Lake uranium project in the southeastern Athabasca basin. The company has planned a 10-short-hole (approximately 3,000-metre) program to test high-value targets defined by a high-resolution 2-D seismic survey (2008) and several current airborne mag/electromagnetic surveys. Target depths are expected to range between 200 metres to 300 metres. With permitting and ramp-up nearing completion, the company expects to commence drilling within the next few weeks.

Evaluation of geophysical and historic data was performed by the University of Saskatchewan's department of geophysics under the direction of Dr. Zoltan Hajnal, who holds a PhD in geophysics (seismology) and was a key member of the exploration think-tank that selected Hathor Exploration's discovery holes at its famed Roughrider deposit. Gil Schneider, president and chief executive officer, commented: "As with Roughrider, Keefe Lake has been examined with seismic, an important element in Hathor's discovery success. Athabasca Uranium is very pleased with Dr. Hajnal bringing his discovery experience to bear upon our project." In addition, Dr. Irvine Annesley, PhD, PGeo, a director of JNR Resources Inc., has also provided technical support in the evaluation of historical data at Keefe Lake. Dr. Annesley is a professional geologist with 31 years of sector experience, including 19 years (1988 to 2007) as a senior research geologist at the Saskatchewan Research Council.

On the company's progress, Mr. Schneider commented: "Shareholders should be very pleased with the company's evolution to date; in just over a year, Athabasca Uranium has accumulated some of the finest exploration projects in the basin and now stands at the threshold of its first exploration holes. We are all very proud to have brought some of the basin's best scientific and technical minds to our projects, and are optimistic about the upcoming drill program and the outlook for the uranium energy sector in general."

**Athabasca Uranium Inc. (TSXV-UAX): Athabasca Uranium Completes Volhoffer Option Phase 1 & Consolidates Projects** – On September 29, Athabasca Uranium Inc. announced that it had received regulatory approval for and subsequently closed on the first phase of exercising its option to acquire the Volhoffer Lake property in the Athabasca basin region in northeast Saskatchewan, and consolidated three of its basin projects.

#### ***Volhoffer property***

As announced on Sept. 15, 2011, the 8,530-hectare Volhoffer Lake project comprises two contiguous claims on the eastern margin of the uranium-rich Athabasca basin, the most productive uranium-producing region in the world. The company can earn a 100-per-cent interest in the project by paying an initial \$55,000 and issuing 2.5 million common shares to an arm's-length vendor, by paying an additional \$1.2-million on or before the fifth anniversary of the option agreement, and by filing \$5-million in qualified exploration assessment credits within five years on the property, subject to a 2-per-cent net smelter return royalty. The company has now made the initial payment of cash and shares, fulfilling its first commitments under the agreement.

#### ***Project consolidation***

The Volhoffer acquisition includes a highly prospective exploration trend identified by the company that extends from its Webb River project through its Keefe Lake property. These three projects will be consolidated into one to form the larger Keefe Lake project, which will now have an areal extent of over 32,000 contiguous hectares in the shallow southeastern region of the Athabasca basin. There is no reduction in size to any of the projects.

"Without question, Keefe Lake is a bona fide marquee project, rivalling other significant projects in the area, such as Moore Lake (Denison/JNR) and Hathor's Russell Lake project. Athabasca's footprint in the



basin has grown significantly. Having control of this area means we can leverage exploration economies of scale on our own aggressive timeline and focus on making that next basin discovery," commented Athabasca president and chief executive officer Gil Schneider.

The newly constituted, larger Keefe Lake 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 triuranium octoxide and an average reserve grade of over 15 per cent. Keefe Lake 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 an Aeroquest 737-line-kilometre magnetic/electromagnetic airborne survey and a high-definition 2-D seismic reflection survey. The company is scheduled to commence diamond drilling of its Keefe Lake K1 targets immediately.

**Cameco Corporation (TSX-CCO): Cameco Provides Initial Comment on Hathor's News Release Summarizing Roughrider Preliminary Economic Assessment** – On September 13, Cameco Corp. commented on the summary results of the preliminary economic assessment (PA) of the Roughrider deposit released earlier that day by Hathor Exploration Ltd.

"We believe the key assumptions used in Hathor's news release, which are substantially the same as those Hathor presented in our earlier discussions, are simply unrealistic and would not survive the greater rigour required of a prefeasibility study, let alone a full feasibility review," said Tim Gitzel, president and chief executive officer of Cameco. "Based on our initial review of the summary results of the PA, we do not see any new information that would lead us to change our view on Hathor, or the premium value we are offering to its shareholders."

Cameco will review Hathor's disclosure in greater detail and may comment further in due course.

#### ***Details of the offer***

On Aug. 30, 2011, Cameco commenced its offer to acquire all of the outstanding shares of Hathor for cash consideration of \$3.75 per share in a transaction which values the fully diluted share capital of Hathor at approximately \$520-million.

Further details of the offer are available in Cameco's takeover bid circular which has been filed on SEDAR and has been mailed to Hathor shareholders. A copy of the takeover bid circular and a letter to Hathor shareholders are also available at Cameco's website.

**Cameco Corporation (TSX-CCO): Cameco Provides Further Comment on Hathor News Releases** – On September 14, Cameco Corp. provided further comment on the summary results of the preliminary economic assessment (PA) of the Roughrider deposit released last month in a news release issued by Hathor Exploration Ltd. Cameco also addressed the directors' circular filed in response to Cameco's all-cash offer to acquire Hathor.

"Based on our extensive experience developing and operating projects in the Athabasca basin, we believe Hathor's PA significantly underestimates the costs, timelines and risks associated with development of the Roughrider deposit, and so, by inference, significantly overstates the value of the Roughrider deposit and Hathor as a company," said Tim Gitzel, president and chief executive officer of Cameco.



"We are convinced that the development of Roughrider as a stand-alone operation cannot be economically justified using realistic development cost and timeline assumptions. The economics work for Cameco because we have existing infrastructure in the Athabasca region including nearby milling capacity. We considered the nature and location of the Roughrider deposit and Hathor's other exploration assets and any expansion potential in making our offer. We continue to believe our offer provides full and fair value."

Mr. Gitzel noted that PAs are intended to determine whether continued exploration, study and investment in a mineral property are warranted and do not involve the same rigour as a prefeasibility or a feasibility study. PAs use inferred resources that are speculative in nature, and under Canadian securities laws, cannot be used in either prefeasibility or feasibility studies. The PA has a low level of accuracy for capital and operating cost estimates. Prefeasibility and full feasibility reviews are required for a reliable determination of economic viability.

In addition to the inherent level of uncertainty in the PA for Roughrider, Cameco identified several deficiencies in the financial analyses applied that could have a very material negative effect on the value and economics reported for the Roughrider deposit. These deficiencies are noted below.

#### ***Capital cost underestimated***

Based on Cameco's current experience of developing and operating mines in the Athabasca basin, the capital cost estimate included in Hathor's news release is not credible. Hathor estimates the cost of an underground mine, a mill and tailings management facilities at \$567-million. A relevant independent benchmark is Denison Mines Corp.'s January, 2011, estimate of the capital expenditure to construct a comparable mine to access the Phoenix deposit, also located in the Athabasca basin. Denison's estimate, which did not include the cost of constructing a mill and tailings management facilities, was \$690-million (refer to Denison Mines' news release issued Jan. 20, 2011).

#### ***Timeline unrealistic***

Hathor's PA did not fully consider the time and investment required to bring the Roughrider deposit to the construction stage. Cameco believes that a minimum five-year time period would be required to conduct the drilling necessary to establish a reserve, complete prefeasibility and feasibility studies, complete an environmental assessment, secure financing, and complete other regulatory and aboriginal consultation work necessary to obtain permits to construct a mine, mill and tailings facility. For comparison, the successful engineering, permitting and construction of Cameco's McArthur River mine required 11 years to complete and did not include permitting or development of a mill or tailings facilities. Since the McArthur River mine was developed, the regulatory environment has become more demanding, and the regional demand on construction and project management resources is much greater.

#### ***Operating cost underestimated***

Consistent with the PA's estimate of capital, the estimate of operating costs of \$14.44 per pound of triuranium octoxide are unreasonably low when compared with established mines operating in the Athabasca basin for many years. Despite significantly lower grades, Hathor's PA suggests that Roughrider can produce uranium at a much lower cost than McArthur River. McArthur River is generally perceived by the uranium industry as the best underground uranium mine in the world. Hathor suggests that based on its PA, prior to establishing a reserve or completing proper feasibility studies, that Roughrider has already achieved this status.



### ***Deficient economic analysis***

Hathor's calculation of net asset value uses a number of inappropriate assumptions for an advanced exploration project such as Roughrider and fails to take into account a number of fundamental factors including:

- The use of a 7-per-cent discount rate versus a 10-per-cent rate which would be consistent with higher-risk advanced-stage exploration projects;
- The impact of discounting the net asset value to the present rather than the start of construction;
- The application of federal and provincial income taxes;
- The costs and dilution related to future financing required.

Applying reasonable assumptions for discounting period, discount rate, income taxes, as well as the cost and dilution related to future financing would have a very material negative effect on the value and the economics for the Roughrider deposit reported in Hathor's press release.

Cameco's analysis of the summary results of the PA are based on the limited information contained in Hathor's Sept. 13, 2011, news release. Hathor has not released the full PA or the memo summarizing the findings of the PA that was referenced in its news release. Cameco will conduct a full review of the PA when it is filed and may comment further at that time.

### ***Reasons to accept Cameco's offer***

With respect to the recommendation from Hathor's board to its shareholders in its directors' circular filed Sept. 14, 2011, Cameco noted the following:

- The Cameco offer is a permitted bid under Hathor's shareholder rights plan. The 60-day offer period was intended to allow sufficient time for Hathor shareholders to consider the information in the PA as well as time to pursue any alternative transactions. Hathor had previously indicated that the PA would be available by the middle of September. Cameco is confident that shareholders will agree with its assessment of value before its bid expires.
- Prior to the announcement of Cameco's offer on Aug. 26, 2011, Hathor's share price had significantly outperformed its peers -- both before and after events caused by the earthquake and tsunami at the Fukushima nuclear power station in Japan. Hathor's share price increased 30 per cent from March 14, 2011, to Aug. 25, 2011 (the last trading day prior to the announcement of Cameco's intention to make an offer). Over the same period, the share prices of Hathor's peers declined by over 40 per cent (2).
- Cameco's offer provides an all-cash premium of:
  - 40 per cent over Hathor's closing share price on Aug. 25, 2011;
  - 33 per cent over Hathor's 20-day volume-weighted average trading price to Aug. 25, 2011;
  - 31 per cent over Hathor's pre-Fukushima closing share price on March 11, 2011.
- Cameco's offer provides an opportunity for Hathor shareholders to realize an attractive return on their investment. Cameco's fully financed offer also provides Hathor shareholders with immediate liquidity, certainty of value and an opportunity to avoid dilution that would result from financing continued development of the Roughrider deposit and the company's other projects.



(2) Refer to Cameco's Aug. 26, 2011, investor presentation available on its website.

### **Details of the offer**

On Aug. 30, 2011, Cameco commenced its offer to acquire all of the outstanding shares of Hathor for cash consideration of \$3.75 per share in a transaction which values the fully diluted share capital of Hathor at approximately \$520-million.

Further details of the offer are available in Cameco's takeover bid circular which has been filed on SEDAR and has been mailed to Hathor shareholders. A copy of the takeover bid circular and a letter to Hathor shareholders are also available on the company's website.

### **ESO Uranium Corp. (TSXV- ESO)/ Fission Energy Corp. (TSXV- FIS): High Grade Uranium Boulders Yield Anomalous Gold Values from ESO/Fission JV at Patterson Lake Uranium Property**

– On September 28, ESO Uranium Corp. and its 50-per-cent joint venture (JV) partner Fission Energy Corp. provided further results from their June, 2011, uranium boulder prospecting and radon soil gas survey program.

Of the 74 samples of boulders and mineralized soil samples submitted for fire assay, nine samples returned anomalous gold values ranging from 0.101 gram per tonne (g/t) gold to 2.43 g/t gold.

The grades of the gold samples have a loose correlation with the uranium grades in the boulders.

This reflects a general association of gold and uranium which is also reported in the largest southwest Athabasca basin deposits. The Shea Creek deposits of Areva-UJEX (with approximately 90 million pounds) and the former producing mines of Amok (Areva) at Cluff Lake (approximately 60 million pounds produced) are examples. This suggests that elevated gold values may be characteristic for deposits in the southwest area.

The focus of much of the exploration activity in the Athabasca basin has been attracted by the large high-grade deposits in the east Athabasca basin. But the reality is that the southwest Athabasca basin has rewarded exploration with two areas of significantly large and high-grade deposits, one of which became a stand-alone mining operation in a remote location.

Drill targets have been selected from a broad review of technical data including geophysical surveys and parameters suggested by data from diamond drill hole information in assessment reports presented by Canadian Occidental in the late 1970s. The geophysical data indicate several strong ground EM conductors on the southwest end of the Patterson conductor corridor which appear to have been disrupted by large crosscutting structures. These are associated with a low magnetic area that could be interpreted as an alteration feature.

Permitting is well advanced for a 15-hole drill program to test these targets, supported by geophysical surveys to confirm geological structures and conductors and trenching to confirm local ice directions. Local ground conditions should allow work to continue through freeze-up.

The source of the uranium boulders is expected to be a basement-hosted system located in an area where the Athabasca and Cretaceous sedimentary rocks have both been excavated away by ice action. This constraint of a restricted erosional window reduces size of the search area, which also is expected to lie within the path along which the ice sheet pushed out the boulders found in the moraine.



The substantial size of many of the well-mineralized boulders, which could be quickly crushed to sand and gravel sized material by the action of the ice transportation, suggests that the travel distance from source also may be constrained. Assessment reports from Amok Ltee. (Areva) describe the exploration work which led to the discovery of the Cluff Lake Mines by drilling up ice, generally northeast, from uranium boulder clusters, to locate sources in several discrete deposits. A fairly regular separation of two to three kilometres is indicated between boulder clusters and the bedrock sources (mines) that were located.

The southwestern end of the Patterson conductor corridor lies roughly northeast, about three kilometres from the centre of the boulder field where some of the larger boulders were located. The drill hole data available include geological logs and down-hole radiometric surveys which in one hole, 250 metres from the target area, showed two short intervals of sharply anomalous radioactivity in the basement rocks intersected. This suggests possible proximity to mineralization.

The Patterson conductive corridor runs along the boundary zone between the Clearwater and Western granulite domains, which according to assessment reports submitted by the predecessor company of Cameco, is interpreted to have had a favourable geological history analogous to the highly productive Wollaston domain along its boundary with the Mudjatik domain in the east Athabasca basin.

The JV partners, ESO Uranium and Fission Energy, carried out state-of-the-art magnetic and airborne radiometric surveys in 2009 which, with detailed ground follow-up in 2011, led to the discovery of a boulder field with an unusually high percentage of high-grade uranium boulders. The boulder field was spread over a north-south distance of approximately five km and has a maximum east-west width at present of more than 900 metres.

The samples were analyzed by SRC Geoanalytical Laboratories (an SCC ISO/IEC 17025:2005 accredited facility) of Saskatoon for analysis, which included a 63-element ICP-OES, uranium by fluorimetry (partial digestion). The partial analysis is carried out to determine if the uranium is available for extraction by normal metallurgical processes. The multielement analysis was supplemented by fire assay determination of the gold values.

A map highlighting the distribution of high-grade uranium boulders at Patterson Lake South can be found on the company's website. Benjamin Ainsworth, PEng, B.C., is the qualified person responsible for the technical disclosure contained in this news release.

**Hathor Exploration Limited (TSX-HAT): Hathor Intersects 42M of 2.95% U<sub>3</sub>O<sub>8</sub> at Far East Zone as Roughrider Continues to Grow** – On September 6, Hathor Exploration Ltd. provided an update on the 2011 summer drill program at the Far East zone of the Roughrider uranium deposit in the Athabasca basin, with new data from 10 drill holes (MWNE-11-701B to 710). Drill hole 707 is highlighted:

- Two separate intervals of 42 metres of 2.95 per cent U<sub>3</sub>O<sub>8</sub> (triuranium octoxide) and 6.5 metres of 11.31 per cent U<sub>3</sub>O<sub>8</sub>;
- Combined drill hole GT (grade times thickness) of 200, the highest GT to date on Far East, and the 12th highest GT of the nearly 400 drill holes completed on the entire deposit so far.

The Far East zone continues to produce an intensity in mineralization and alteration that surpasses the company's expectations; it is a material development in the overall mineral resource potential of the Roughrider uranium deposit. Furthermore, it is open both east along strike and southeast up dip from the most intense mineralization intersected to date.



The table presents highlights of the composited assay data from seven drill holes. A complete list of composited assay data is provided in another table. Previous mineralized intersections from the Far East zone are summarized in the company's news release dated July 26, 2011.

**COMPOSITED ASSAY DATA HIGHLIGHTS**

DDH	From (m)	To (m)	Grade (U3O8 %)	Thickness (m)	GT
MWNE-11-701B	333.00	394.00	1.78	61.00	108.86
MWNE-11-702	320.50	324.00	2.74	3.50	9.58
MWNE-11-702	338.50	350.50	2.65	12.00	31.81
MWNE-11-702	393.50	394.00	15.70	0.50	7.85
MWNE-11-703	336.00	370.00	3.34	34.00	113.70
MWNE-11-703	382.00	385.00	7.31	3.00	21.94
MWNE-11-704	354.50	371.50	0.78	17.00	13.28
MWNE-11-704	378.00	383.50	1.17	5.50	6.44
MWNE-11-707	343.00	385.00	2.95	42.00	123.72
MWNE-11-707	398.50	405.00	11.31	6.50	73.52
MWNE-11-709	355.00	358.50	14.50	3.50	50.74
MWNE-11-709	428.00	428.50	15.80	0.50	7.90
MWNE-11-709	435.50	436.50	11.88	1.00	11.88
MWNE-11-710	332.50	390.00	1.92	57.50	110.40

GT -- grade times thickness; based on a cut-off of 0.05 per cent U3O8.  
All intervals are core lengths.

The 3-D geological model for Far East zone outlines an approximate geometry of 95 m (length) by 35 m (width), with an average thickness of 33.0 m. The weighted-average grade and average grade of all assays received to date are 2.25 per cent and 2.90 per cent U3O8, respectively. Density measurements range from 1.97 grams per cubic centimetre to 5.04 grams per cubic centimetre, with an average of 2.42 grams per cubic centimetre for 500 samples.

Assays are pending for eight drill holes from the Far East zone, including MWNE-11-712A and MWNE-11-715, which intersected totals of 9.10 m and 7.00 m of off-scale radioactivity, respectively. Drill hole MWNE-11-715 intersected 2.8 m (269.0 m to 271.8 m) of continual off-scale radioactivity, manifest in drill core as massive pitchblende mineralization, with average measured dry bulk density of 4.24 grams per cubic centimetre for the interval 369.5 m to 371.0 m.

Mineralization between the East and Far East zones is not included within the current outline of either zone. This represents further potential for the overall mineral resource of the Roughrider uranium deposit, as emphasized in the NI 43-101-compliant report completed for the East zone in June, 2011, and filed on SEDAR.

**Summer 2011 program summary**

The 2011 summer drill program utilized two drill rigs for approximately nine weeks. A total of 9,600 metres were completed in 20 drill holes; 19 were at the Far East zone.

Drill holes MWNE-11-701B and MWNE-11-710, supplemented by drill holes MWNE-11-695 and MWNE-11-700 that were released previously, provide the first complete drill fence (line 120 east) of assays from the summer drilling.





Drill holes MWNE-11-702 and MWNE-11-703 are infill drill holes on lines 90 east and 100 east, respectively.

Drill holes MWNE-11-705, MWNE-11-706 and MWNE-11-708 contain variable radioactivity and intermittent uranium mineralization but are not included within the margins of the Far East zone as currently defined.

Drill holes MWNE-11-704 and MWNE-11-707 are from line 130 east (see the table for intersections). Drill hole MWNE-11-712B is up dip on the same line and intersected 9.10 m of off-scale radioactivity (see news release dated Aug. 15, 2011). Assays are pending for this drill hole.

Drill holes MWNE-11-711 and MWNE-11-715 are not reported herein because assays are pending. These drill holes intersected 1.8 m and 7.0 m of off-scale radioactivity respectively (see news releases dated July 26 and Aug. 15, 2011).

### ***Sample analysis and quality assurance/quality control***

Samples were analyzed for U3O8 at the geoanalytical laboratories of the Saskatchewan Research Council (SRC). The facilities used for the analysis operate in accordance with ISO/IEC 17025:2005 (CAN-P-4E). The samples were analyzed using ISO/IEC 17025:2005 accredited U3O8 method. The samples were analyzed for a suite of other base metal elements including nickel, cobalt, copper and lead by ICP-ES. Dry bulk density determinations were carried out by Hathor staff on the drill core.

Field and laboratory of select samples show good reproducibility. Full details of the company's quality assurance/quality control program are documented in the NI 43-101-compliant report completed for the East zone in June, 2011, and available on SEDAR.

All mineralized drill hole intersections are reported as downhole intervals, not true thickness. True thicknesses are determined within the context of 3-D geological models used for exploration and resource modelling.

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

The Midwest Northeast property, which contains the Roughrider uranium deposit, 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 Points North, the main service hub, including airport, 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.

**Hathor Exploration Limited (TSX-HAT): Hathor Exploration Limited: Drilling Underway at Russell Lake** – On September 8, Hathor Exploration Ltd. announced that the diamond drilling was under way at its Russell Lake project in the southeastern part of the Athabasca basin in Northern Saskatchewan. Drilling will focus on the untested M zone extension (MZE) target located in the northwest of the project area. Up to 3,500 metres of diamond drilling is planned. The 2011 summer program started in July with ground geophysics. The size and location of the Russell Lake project, coupled with the number and quality of integrated exploration targets, identify the unique potential of the Russell Lake project; it is a long-term exploration target for Hathor.



### ***Diamond drilling***

Drilling will be carried out in the northwestern part of the Russell Lake property targeting the untested MZE target area. An image on the company's website shows the location of the Russell Lake project within the eastern corridor of the Athabasca basin, where all current Canadian uranium production occurs. Another image shows the location of the MZE target within the Russell Lake property. Another image on the website shows the extent of the ground geophysical surveys carried out during 2010 and 2011. Another image illustrates the drill holes planned for the MZE target area for this program. Another image is a pseudosection along a planned drill fence at MZE, based on resistivity data. The MZE target area is located at the intersection of prominent 30-degree and 70-degree lineaments, favourable for unconformity-type uranium deposits. Based on current data, the MZE target area is along the northeast strike extension of the structures controlling the M zone, which is adjacent to the recently discovered Phoenix deposit on the Wheeler River property to the west. Drill targets at MZE integrate a wide range of data, including a transient magnetotelluric survey (AMT) completed last fall totalling 26.8 line kilometres on 12 lines.

### ***Ground geophysics***

The entire Russell Lake property is covered by numerous airborne geophysical surveys, augmented locally by ground geophysics, including gravity, resistivity, electromagnetic and AMT surveys. In addition to the AMT geophysical surveys carried out in the MZE and Fox Lake target areas in the fall of 2010 (see news release from Sept. 30, 2011), additional AMT surveys were carried out during June and July of 2011 to expand and link the surveys areas. A total of 26.8 line kilometres on 12 lines of data were collected. These data are currently being modelled and interpreted and will be incorporated into future drill targeting plans.

### ***Regional context***

Please visit the company's website for a related set of regional-scale geological and geophysical maps for the Russell Lake property. The Russell Lake property is within the Wollaston-Mudjatic magnetic low transition zone, commonly referred to as the eastern corridor of the Athabasca basin. This corridor accounts for 100 per cent of current uranium production in Canada, and it has consistently contributed between 20 and 30 per cent of global primary uranium supply for the past 30 years. Looking forward, the greatest endowment of proven resources for future production within the Athabasca is within the eastern corridor, in the region immediately surrounding Russell Lake. The south end of the property is 15 kilometres northeast of the Key Lake mine/mill complex. The northern end is 12 kilometres southeast of the McArthur River mine. The neighbouring Phoenix deposit is immediately west of the central part of the Russell Lake property. Drill targets at the Russell Lake project are based on the integration of recent geophysical surveys, updated regional geological surveys and synthesis of historic work, as summarized on the company's website. The property is vastly underexplored and has seen little previous drilling relative to surrounding areas.

### ***Property description***

The Russell project covers both of the properties historically referred to as Russell Lake and South Russell prior to the acquisition by Hathor of Northern Continental Resources in 2009. Combined, the properties cover approximately 71,670 hectares in one contiguous block of 23 claims. Subsequent to the successful acquisition of Terra Ventures Inc. (see news release dated Aug. 5, 2011), Hathor owns 100 per cent of the entire Russell Lake property.

Russell Lake has excellent infrastructure. The McArthur River-Key Lake haul road and associated power line run along the western margin of the property. The exploration camp is accessible by road year-round.

**Hathor Exploration Limited (TSX-HAT): Hathor Intersects 27.0M of 7.91% U3O8, Including 3.5M of 41.77% U3O8, as Far East Zone at Roughrider Continues to Surpass Expectations** – On September 20, Hathor Exploration Ltd. provided a further update on the 2011 summer drill program at the Far East zone of the Roughrider uranium deposit in the Athabasca basin, with new data from seven drill holes (MWNE-11-711 to 715, 717A and 719). Highlights from drill hole MWNE-11-715 include:

- Composited interval of 27.0 metres of 7.91 per cent U3O8, including 3.5 metres of 41.77 per cent U3O8;
- Combined drill hole GT (grade times thickness) of 215, the new highest GT on Far East, and the 12th highest GT of the nearly 400 drill holes completed on Roughrider so far.

**COMPOSITED ASSAY DATA HIGHLIGHTS**

DDH GT	From (m)	To (m)	Grade (U3O8 %)	Thickness (m)
MWNE-11-711 53.98	372.00	382.00	5.40	10.00
MWNE-11-712A 179.67	340.00	382.50	4.23	42.50
MWNE-11-713 23.97	406.00	410.50	5.33	4.50
MWNE-11-714 14.62	429.50	435.00	2.66	5.50
MWNE-11-715 213.57	354.50	381.50	7.91	27.00
Including MWNE-11-717A 9.78	369.00	372.50	41.77	3.50
MWNE-11-719 0.07	397.50	399.00	6.52	1.50
	385.00	386.00	0.07	1.00

*Notes*

Drill holes MWNE-11-711 to 715 and 717A are from the Far East zone.  
 Drill hole MWNE-11-719 is collared 300 metres to the south.  
 GT -- Grade times thickness; based on a cut-off of 0.05 per cent U3O8.  
 All intervals are core lengths. Grade values are rounded to two decimal places. GT values have been calculated from original assay numbers which are listed to three decimal places.

Assays are pending for two drill holes from the Far East zone, including MWNE-11-718, which intersected a total of 17.30 metres of offscale radioactivity; the greatest amount of offscale radioactivity within a single drill hole at Far East. This radioactivity was intersected in two zones: one at a depth correlative with other drill hole intersections at Far East and one at a much shallower depth, only 45 metres below the unconformity. The shallower zone presents significant potential for the discovery of an additional zone in the Roughrider system.



The Far East zone continues to produce an intensity in mineralization and alteration that surpasses the company's expectations. The zone is a material development in the overall mineral resource potential of the Roughrider uranium deposit. Furthermore, it is open both to the east along strike and southeast updip from the most pervasive alteration and replacement mineralization intersected to date and the largest grade-thickness quotients from assays.

Mineralization at the Far East zone is not included in the preliminary economic assessment (PA) that was released on Sept. 13, 2011, which provided summary estimates including \$1.0-billion for pretax net present value and payback of 1.2 years, based on a \$70 (U.S.) uranium price and 7-per-cent discount rate.

The associated table presents select composited assay data from the seven new drill holes. A complete list of composited assay data is provided in the associated table. Previous mineralized intersections from the Far East zone are summarized in the company's previous news releases dated July 26, 2011, and Sept. 6, 2011.

The 3-D geological model for Far East zone outlines an approximate geometry of 95 metres (length) by 35 metres (width), with an updated average thickness of 30.5 metres. The updated weighted average grade and average grade of all assays received to date are 2.63 per cent and 3.16 per cent U<sub>3</sub>O<sub>8</sub>, respectively (previously 2.25 per cent and 2.90 per cent U<sub>3</sub>O<sub>8</sub>, respectively). Density measurements range from 1.97 to 5.04 grams per cubic centimetre, with an average of 2.42 grams per cubic metre for 500 samples.

Mineralization between the East and Far East zones is not included within the current outline of either zone. This represents further potential for the overall mineral resource of the Roughrider uranium deposit, as emphasized in the National Instrument 43-101-compliant report completed for the East zone in June, 2011, and filed on SEDAR.

### ***Mineralization south of Roughrider***

Drill hole MWNE-11-719, collared 300 metres to the southeast of the Far East zone, intersected one metre of 0.07 per cent U<sub>3</sub>O<sub>8</sub>. The surface projection of this mineralization is approximately 170 metres southeast of the Far East zone. The area between drill hole 719 and the Far East zone remains untested and represents a high-priority target that will be tested during the winter 2012 exploration program. The target area presents significant potential for the discovery of an additional zone at Roughrider.

### ***2011 summer program summary***

The 2011 summer drill program utilized two drill rigs for approximately nine weeks. A total of 9,600 metres were completed in 20 drill holes; 19 were at the Far East zone. An image on the company's website shows the spatial relationship of the three mineralized zones at the Roughrider uranium deposit (West, East and Far East) with colour-coded drill holes on the basis of grade times thickness value (GT). Another image on the company's website shows the spatial distribution of drill holes at the Far East zone, with colour-coded drill holes on the basis of GT value. Another image is a cross-section showing the spatial distribution of the main zone of mineralization and the upper zone of mineralization near the unconformity at Far East. Another image is an updated cross-section depicting Line 125E (plus/minus 10 metres). Another figure shows images of mineralization styles from the drill holes reported in this news release.

Full details of the company's QA/QC program are documented in the NI 43-101-compliant report completed for the East zone in June, 2011, and are available on SEDAR.



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

The Midwest Northeast property, which contains the Roughrider uranium deposit, 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 Points North, the main service hub, including airport, 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 basin.

Subsequent to the successful acquisition of Terra Ventures Inc. (see news release dated Aug. 5, 2011), Hathor owns 100 per cent of the property and the Roughrider uranium deposit.

### ***Rejection of Cameco's hostile and predatory offer***

On Aug. 30, 2011, Cameco Corp. made an unsolicited all-cash takeover bid offer for Hathor at a price per Hathor common share of \$3.75. Hathor's closing share price on the Toronto Stock Exchange on Monday, Sept. 19, 2011, was \$4.02.

The board of directors of Hathor, in consultation with its legal and financial advisers, has determined the offer to be inadequate. The company continues to urge its shareholders not to tender their shares in Hathor to the offer. The offer does not reflect the strong economic parameters for Roughrider, it does not take into account the mineralization and mineral resource potential at the Far East zone, it does not capture the scarcity value of quality projects like Roughrider in comparison with other available undeveloped uranium deposits around the world, nor does it account for the strategic value based on Roughrider's location in the pre-eminent uranium mining district in the Western world and it does not give any value to Hathor's exploration properties.

Hathor's board of directors is considering a variety of options in response to the offer. Prior to the offer, Hathor was and continues to be in active dialogue with a number of other major mining companies, and end-user utilities in the downstream part of the fuel cycle, about their potential interest in Hathor. The process will be vigorously pursued, and the board will communicate further with Hathor shareholders on a timely basis prior to the expiry time of the offer.

For more details of the reasons for the board's recommendation to reject the offer, refer to the directors' circular of the board dated Sept. 13, 2011, available on SEDAR and on Hathor's website.

**Purepoint Uranium Group Inc. (TSXV- PTU): Purepoint Provides Update on Red Willow Joint Venture with Rio Tinto** – On September 13, Purepoint Uranium Group Inc. provided an update on the advancement of Purepoint's Red Willow project in the Athabasca basin. The project is managed by Rio Tinto under an option agreement signed in December, 2010.

"Rio Tinto's focus this summer was to follow-up on three areas identified from a recently completed regional 3-D geological model," said Scott Frostad, Purepoint's vice-president, exploration. "Geophysical surveys are now in progress and the results will be added to the existing base of knowledge in order to prioritize the next phase of work."



### **Highlights**

- Identification of three priority areas located near the Osprey, Dancing Lake and Big Bay grids;
- The priority areas are structurally similar to those hosting large deposits located elsewhere in the Athabasca basin;
- 69 kilometres of gradient induced polarization (IP) surveying has now been completed;
- Areas of interest are scheduled for detailed follow-up with pole-dipole IP surveying;
- A technical committee meeting is scheduled for mid-October at Rio Tinto's offices in Vancouver to review the results and discuss the next phase of work.

### **Red Willow**

The Red Willow property covers 25,612 hectares on the eastern edge of the Athabasca basin. The Athabasca sandstone is shallow and the depth to unconformity varies from surface 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 are located along a northeast to southwest mine trend that extends through the Red Willow project. To date only six of Red Willow's 21 delineated target zones have been subject to first pass drilling.

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 surrounds Cameco Corp.'s Rabbit Lake, Collins Bay and Eagle Point deposits.

**Purepoint Uranium Group Inc. (TSXV- PTU): Purepoint Continues to Stake New Property in Athabasca Basin** – On September 29, Purepoint Uranium Group Inc. announced that it had staked a 1,985-hectare property lying due east of Cameco's McArthur River mine and due south of the Cigar Lake mine in Canada's Athabasca basin.

"Over the past several years we have been actively evaluating the more than five million hectares (1,200 claims) that have come open in Northern Saskatchewan and watching for exceptional opportunities such as this," said Scott Frostad, vice-president exploration of Purepoint. "While many of the exploration companies have been moving on to other commodities, we have been taking advantage of the vast amount of uranium exploration data submitted to the Saskatchewan government between 2003 and 2008 in order to acquire promising new properties."

### **McArthur East**

Purepoint's newly staked McArthur East property adjoins Cameco's McArthur River project, which contains the world's largest high-grade uranium deposit, and is situated due south of the Cigar Lake mine. The property is underlain by a magnetic low believed to represent pelitic basement rocks, a typical host rock for economic uranium mineralization. Depth to the unconformity is estimated at a relatively shallow 200 metres.

A structural interpretation, based on regional aeromagnetic signatures, indicates the property is bounded by two strong north-south-trending faults while a detailed aeromagnetic survey suggests the property has a high degree of structural complexity. Areas interpreted to be underlain by crosscutting structures will be targeted as they are ideally suited to host a typical Athabasca basin unconformity uranium deposit.



## Staking at Purepoint

As uranium entered a down cycle in 2008, Purepoint set out to capitalize on project opportunities that would undoubtedly arise utilizing a number of strategies:

1. Purepoint commissioned Dr. Jay Hodgson, past Professor of Economic Geology at Queen's University and former Chief Geologist at Barrick Gold Corp to develop a methodology for quantifying the potential of exploration projects in the Athabasca Basin. Hodgson's approach has allowed Purepoint to quickly evaluate available properties and distil them down to those having the highest uranium exploration potential.
2. Purepoint has maintained, on retainer, a local and experienced field crew for staking, allowing the Company a competitive edge for acquiring those projects identified.
3. Purepoint has acquired through staking six new projects covering 33,000 hectares in prime locations within the Athabasca Basin including:
  - a. **The Henday Block** - on trend with an interpreted East-West alteration corridor that hosts neighbouring Fission Corp's J-Zone as well as Hathor's Roughrider Deposit;
  - b. **Forsythe Lake** - containing known electromagnetic (EM) conductors that extend onto the neighbouring Denison/JNR Bell Lake Project and an intriguing magnetic anomaly suggestive of a volcanic pipe; and
  - c. **Red Willow North** - covering the eastern extension of EM conductors outlined on the Purepoint/Rio Tinto JV Red Willow project as well as the Richardson-Crooked Lake conductor held by Denison/Virginia Hatchet Lake Project.

**Titan Uranium Inc. (TSXV-TUE): Titan Uranium Inc. Updates Exploration Activities and Launches 2011 Drilling Program on Thorburn Lake Project** – On September 6, Titan Uranium Inc. announced that its ground DC resistivity surveys had been completed successfully and that the company's 2011 drill program was under way on the Thorburn Lake project. The property consists of two contiguous mineral claims totalling 2,802 hectares in the eastern portion of the Athabasca basin. The planned program will consist of up to 4,000 metres of diamond drilling.

The results of the DC resistivity geophysical program completed at the end of June, 2011, outlined several targets that are interpreted as alteration chimneys along and crosscutting 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 Titan's follow-up drilling with 3,500 to 4,000 metres in eight to 10 drill holes. This program follows up on 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 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 m 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.

**UEX Corporation (TSX-UEX): UEX/AREVA Drilling Continues to Expand Both Basement and Unconformity Mineralization at the Kianna Deposit: SHE-130-11 Intersects 25.3 Metres Grading 0.78% eU3O8 and SHE-130-12 Intersects 32.0 Metres Grading 0.81% eU3O8**

– On September 29, UEX Corp. released results from eight directional drill holes from the continued exploration of the Kianna deposit on the Shea Creek project as reported to UEX by the project operator, Areva Resources Canada Inc. Shea Creek hosts the Kianna, Anne, Colette and 58B deposits and is one of 10 49-per-cent-owned western Athabasca uranium projects joint ventured with Areva.

Drill hole intersections in the SHE-130 series continue to outline a new zone of mineralization that links the main Kianna basement resource with a northern, parallel zone of structurally controlled mineralization (see UEX news release dated May 3, 2011). In addition, drilling expanded unconformity mineralization northward. These drill intersections are outside of the existing National Instrument 43-101-compliant mineral resource estimate.

Mineralization intersected in drill holes SHE-130-5A to SHE-130-12 at the unconformity (UN) and in the underlying basement rocks (B) includes the following notable intercepts:

- SHE-130-5A: (B) 0.96 per cent equivalent triuranium octoxide over 2.1 metres;
- SHE-130-6: (UC) 1.61 per cent eU3O8 over 2.9 metres;
- SHE-130-7: (B) 1.35 per cent eU3O8 over 2.1 metres and (B) 4.40 per cent eU3O8 over 2.5 metres;
- SHE-130-8: (UC) 0.77 per cent eU3O8 over 2.8 metres and (B) 0.70 per cent eU3O8 over 3.9 metres;
- SHE-130-9: (UC) 0.48 per cent eU3O8 over 2.5 metres and (B) 1.34 per cent eU3O8 over 1.0 metre;
- SHE-130-11: (B) 0.86 per cent eU3O8 over 2.6 metres and (B) 0.78 per cent eU3O8 over 25.3 metres including (B) 1.32 per cent eU3O8 over 12.0 metres;
- SHE-130-12: (B) 0.81 per cent eU3O8 over 32.0 metres, including (B) 2.21 per cent eU3O8 over 4.0 metres and (B) 1.64 per cent eU3O8 over 5.3 metres.

Complete results from the drilling are reported in the attached table. Uranium grades reported here have been calculated from gamma probe logging. True widths of mineralized intervals have not yet been determined.

"The expansion of the Kianna deposit northward, both at the unconformity and in basement-hosted rocks, was one of our goals for the 2011 drilling program. The combined efforts of the Areva and UEX exploration teams have resulted in a successful program to date, and drilling is ongoing in this area," said Graham Thody, president and chief executive officer of UEX.

The new zone of mineralization which lies to the north of the main Kianna basement resource was initially intersected in 2010. During that program, drill hole SHE-136-1 intersected 1.84 per cent triuranium octoxide over 16.6 metres approximately 50 metres to the north of the main Kianna basement zone. Subsequent drilling intercepts in the area include 2011 drill hole SHE-130-4, which intersected 1.28 per cent eU3O8 over 25.1 metres, and in the current drilling program, those reported in drill holes SHE-130-11 and SHE-130-12.

Geologically, these intercepts occur in a shallow, south-to-southeast-dipping zone of mineralization which exploits a mafic unit within the hosting gneiss sequence. The mafic unit associated with the new zone may also control a high-grade oreshoot in the lower part of the Kianna deposit. The new zone is open to the northeast, southwest and updip to the north, where it may join a steeply dipping mineralized fault that



is parallel to and 75 metres north of the Kianna basement zone. This parallel zone was previously intersected by drill hole SHE-114-17, which intersected 7.8 metres grading 4.38 per cent U3O8. Further drilling in 2011 will test extensions of this open network of mineralized zones and will also test downdip extensions of the main Kianna basement zone, particularly for a higher-grade oreshoot at its down plunge intersection with the new zone.

The SHE-130 series drill holes in the Kianna area are part of a larger exploration program on the Shea Creek project. Currently, there are three drills operating on the project, one each at the Colette and Kianna deposits and one drilling the area between the Kianna and the 58B deposits. Drilling will continue through to November, 2011.

**About Shea Creek**

UEX reported a combined N.I. 43-101-compliant mineral resource estimate for the Kianna, Anne and Colette deposits of 1,872,600 tonnes grading 1.54 per cent U3O8 containing 63.57 million pounds of U3O8 in the indicated category and an additional 1,068,900 tonnes grading 1.04 per cent U3O8 in the inferred category containing 24.53 million pounds of U3O8 at a cut-off of 0.3 per cent U3O8 (see UEX news release dated May 26, 2010). This mineral resource estimate is based on drilling information up to Dec. 31, 2009. Results from the 2010 drilling, which include the expansion of Kianna and the discovery of the 58B deposit, are not incorporated in this resource estimate.

This estimate confirms Shea Creek as the largest undeveloped uranium resource in the Athabasca basin. It also ranks as the third-largest uranium resource in the basin, exceeded in size only by McArthur River and Cigar Lake. Resources at Shea Creek are largely open and have excellent potential for both expansion of known areas of mineralization and discovery of new zones.

**2011 SHEA CREEK (KIANNA) DRILL RESULTS**

Hole	From (m)	To (m)	Length (m)	Average grade within the intersection (per cent eU3O8)
SHE-130-4*	709.5	712.7	3.2	0.96
	718.2	722.1	3.9	0.19
	842.9	844.7	1.8	0.46
	851.1	852.0	0.9	0.23
	888.1	888.8	0.7	0.30
	894.0	919.1	25.1	1.28
	903.7	913.2	9.5	2.30
	935.9	938.8	2.9	0.36
SHE-130-5	Hole not probed			
SHE-130-5A	879.7	881.8	2.1	0.96
	913.0	914.3	1.3	0.31
SHE-130-6	717.3	720.2	2.9	1.61
	852.1	853.1	1.0	0.47
	887.8	889.0	1.2	0.30
SHE-130-7	722.5	724.7	2.2	0.29
	728.1	729.1	1.0	0.35
	759.8	760.4	0.6	0.33
	856.9	859.0	2.1	1.35
	863.3	863.9	0.6	0.29
	875.7	876.8	1.1	2.14
	881.9	884.4	2.5	4.40
	896.1	900.0	3.9	0.39
SHE-130-8	721.3	723.3	2.0	0.30
	725.0	727.8	2.8	0.77
	852.5	856.4	3.9	0.70

	859.1	859.7	0.6	0.48
SHE-130-9	729.0	731.5	2.5	0.48
	891.6	892.3	0.7	0.51
	899.6	900.2	0.6	0.43
	903.6	904.6	1.0	1.34
	920.1	921.3	1.2	0.33
	923.0	924.4	1.4	0.17
SHE-130-10	718.6	719.8	1.2	0.25
SHE-130-11	705.4	706.2	0.8	0.69
	892.0	894.6	2.6	0.86
	902.1	927.4	25.3	0.78
	902.1	908.4	6.3	0.50
	909.5	912.0	2.5	0.23
	915.4	927.4	12.0	1.32
SHE-130-12	710.7	711.9	1.2	0.39
	714.6	716.5	1.9	0.18
	882.5	914.5	32.0	0.81
	882.5	883.9	1.4	1.51
	885.1	889.1	4.0	2.21
	896.9	902.2	5.3	1.64

*Notes:*

- (1) Previously reported hole - (see UEX news release dated May 3, 2011)
- (2) Uranium grades are calculated from gamma probe logging. True widths of mineralized intervals have not yet been determined.
- (3) Results are reported with a grade of greater than 0.1 per cent U3O8 and a grade-thickness product of greater than 0.2

**Uravan Minerals Inc. (TSXV-UVN): Uravan Commences Drilling at Outer Ring-Math Projects** – On September 27, Uravan Minerals Inc. announced that it had commenced diamond drilling operations on its Outer Ring (OR) and contiguous Mathison Lake (Math) projects in the Pasfield Lake area of the Athabasca basin. This is a follow-up program based on encouraging information obtained from Uravan's previously completed OR drill program (Aug. 22, 2011, news release). The OR-Math program amounts to completing three diamond drill holes totalling approximately 2,100 metres of drilling. Drill depths to the unconformity are estimated to be 700 metres. Completion of the program is estimated to be in late October, 2011.

The OR-Math drill program is targeting a geophysical corridor coincident with anomalous surface geochemical signatures. The surface anomalies were identified by Uravan's technical group in collaboration with its research partners arising from a multifaceted surface-sampling program completed over the projects in 2010 and recently in June, 2011. The favourable geophysical features comprise a strong EM (electromagnetic) conductor that correlates with a deep magnetic low. The geophysical data were collected by Geotech Limited from an airborne ZTEM survey completed over the Math project in 2009 by ESO Uranium.

The surface geochemical programs capitalized on new innovative geochemical technologies developed from a pilot study conducted on the Cigar West uranium deposit (Cigar West study). 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 interpretation of the ZTEM airborne geophysical survey displays a strong northeast-southwest-trending EM conductor (the Pasfield conductor) that coincides with a linear low magnetic susceptibility feature. The Pasfield conductor and low magnetic feature form a corridor that transects the Math project and extends to the southwest onto the OR project.

The northeast-southwest-trending Pasfield conductor is interpreted as a single northwest-dipping conductor at the unconformity. The Pasfield conductor shows increasing conductive response with depth suggesting alteration of the conductor at or near the unconformity. The geophysical data also point to a related conductive zone above the unconformity interpreted by Geotech Limited to represent a clay alteration zone in the Athabasca sandstone. For potential unconformity-related uranium mineralization, the company requires a thick basement graphitic conductor, hosted in metapelitic basement metasediments, within a coincident low magnetic susceptibility corridor, associated with a possible clay alteration halo above the unconformity.

The OR-Math drill program will be managed and directed by Uravan's technical group. Drilling operations are being performed by Bryson Drilling Ltd. from Archerwill, Sask. All whole-rock analytical work on core samples collected will be analyzed by multielement ICP-MS for 52 elements plus all the rare earth elements and lead isotopes at Acme Labs in Vancouver. The Queen's Facility for Isotope Research (QFIR) will conduct additional analytical work and studies on core samples to determine the concentration of certain isotopic compositions using high-resolution ICP-MS.