
ENCOURAGING RESULTS FROM OUTER RING DRILLING

Uravan Minerals Inc. (Uravan) commenced diamond drilling on its Outer Ring (OR) project in the Pasfield Lake area of the Athabasca Basin³ in early June 2011. The first two drill-holes, OR11-001 and OR11-002, were recently completed totalling 1636 meters drilled (776m and 860m respectively) [\[view map\]](#). These are the first of a five (5) hole, 5000 meter diamond drill program.

Preliminary results for drill holes OR11-001 and OR11-002 were obtained from down-hole Natural Gamma surveys (description below). Both holes intersected zones of high radioactivity (GR) significantly above background levels (>7.5 times 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 meters below the unconformity.

- Drill hole OR11-001 intersected 9.9 meters (662.45m - 672.35m) of high radioactivity averaging 432 API units* (>7.5 times background), including 1310 peak counts in the Athabasca Sandstone at the unconformity, and;
- 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 meters (724.58m – 737.98m) , including 1249 peak counts, and a second intersection occurring in basement rocks, about 25 meters below the unconformity averaging 475 API units over 9.75 meters (763.18m – 772.93m).

**Note: An API (American Petroleum Institute) unit is a standard measurement of gamma radiation encountered in borehole surveying by Natural Gamma probes. The radioactivity levels indicated above 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 above will be systematically sampled and assayed for their uranium concentration.*

In addition to the zones of high radioactivity described above, 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 838m to 842m. The areas of abundant fracturing were also accompanied by high radioactivity >400 API units over several meters.

The five (5) hole OR diamond drill program has targeted select surface geochemical signatures identified by Uravan's technical group and collaborative research partners², 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 (Cigar West Study)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. Mr. Larry Lahusen, CEO 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 meters and 736 meters respectively, shallower than the 850 meters 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 (~10cm increments) down-hole geophysical survey tools consisting of: Natural Gamma, Neutron, Gamma-Gamma Density and Electric Resistivity/Spontaneous Potential. The logging equipment and operational expertise is provided by DGI Geoscience Inc. based out of Toronto. This suite of borehole survey tools has provided accurate and continuous down-hole 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.

All drill cores are systematically scanned using ASD Terraspec instrumentation for determining clay mineralogy; a means to determine the presence or lack of hydrothermal alteration. The drill core will be routinely sampled and assayed by multi-element ICP-MS for 52 elements plus all the REE and Pb isotopes at Acme Labs in Vancouver. All zones of high radioactivity reported above will be systematically sampled and assayed for their uranium concentration. Assay results of significant intersections will be announced when available. The Queen's Facility for Isotope Research² (QFIR) will conduct further analytical techniques on core samples to determine the concentration of certain isotopic compositions using High-Resolution ICP-MS.

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

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, P. Geo., technical advisor for Uravan, is the Qualified Person for the purposes of NI 43-101 with respect to the technical information in this press release.

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¹The Cigar Lake deposit is on the Waterbury/Cigar uranium property; a joint venture partnership between Cameco Corporation, 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 our 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 >450 meters.



Queen's Facility for Isotope Research

²The Queen's Facility for Isotope Research (QFIR) at Queens'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.



²Dr. Colin Dunn, an independent specialist in biogeochemistry, is working closely with Uravan's technical group and QFIR to advance the interpretation of biogeochemical results. Dr. Kurt Kyser and Dr. Colin Dunn are key technical advisors for Uravan.

³The Athabasca Basin is the most significant uranium district in Canada and globally, representing 28% of the world's primary uranium production. The interior of the Athabasca Basin, which includes the OR property, is under-explored 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 and even more significant considering the drilling is targeting surface geochemical anomalies versus conventional blind geophysical (EM) conductors.

Uravan is a Calgary Alberta based diversified mineral exploration company that utilizes applied research to develop new innovative exploration technologies to identify buried uranium, rare earth elements (REE) and nickel-copper-platinum group element (Ni-Cu-PGE) deposits in under-explored areas. Our exploration focus in uranium is for potential high-grade unconformity-related uranium deposits in the Athabasca and Thelon Basins in Canada and other basin environments globally. Uravan is expanding its acquisition efforts toward REE geological domains in North America and specific areas globally. The REE and uranium mineralization occur in related geological environments thereby complementing Uravan's uranium exploration efforts with a strategy to add diversification to its portfolio. Further, Uravan is pursuing the exploration of its advanced- stage Rottenstone Ni-Cu-PGE project supported by the development of new drill targets defined by recent geophysical re-interpretation. Uravan is a publicly listed company on the TSX Venture Exchange under the trading symbol UVN. All of the mineral properties Uravan owns are considered in the exploration stage of development.

This press release may contain forward looking statements including those describing Uravan's future plans and the expectations of management that a stated result or condition will occur. Any statement addressing future events or conditions necessarily involves inherent risk and uncertainty. Actual results can differ materially from those anticipated by management at the time of writing due to many factors, the majority of which are beyond the control of Uravan and its management.

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