

INVESTMENT ALERT – December 2011

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Tournigan Energy Ltd. (Cdn\$ 0.07)

TSX.V : TVC
Frankfurt : TGP

H+L prices (12 months) : Cdn\$ 0.42 – 0.07

Net issued shares : 193.7 million

Market capitalization : Cdn\$ 13.6 million

Next price target: Cdn\$ 0.50

INVESTMENT ALERT

Tournigan Energy to acquire all of Mawson Resources' uranium projects located in Finland and Sweden

On December 7, 2011, Tournigan announced the acquisition of all of **Mawson Resources'** (MWA – TSX) right, title and interests in and to 7 uranium exploration projects located in Sweden and Finland for aggregate consideration of 53.64 million common shares of Tournigan, representing a current market value of Cdn\$ 3.7 million.

Tournigan plans to change its name to **European Uranium Resources** and consolidate its shares on a 1 new for 5 old basis.

Tournigan is to undertake an exclusive private placement of 14.29 million units at Cdn\$ 0.07 per share with Areva for proceeds of Cdn\$ 1.0 million.

Tournigan will enter a Technical Service Agreement with Areva to perform a work program comprising metallurgical and environmental test work to be part of the Kuriskova feasibility study on the Company's flagship **Kuriskova Uranium Project** located in the Carpathian uranium belt in uranium friendly Slovakia, which is planned early next year.

The Kuriskova Deposit has an independent NI 43-101 compliant Indicated resource of 28.5 million pounds U3O8 at 0.555% U3O8 and an Inferred resource of 12.7 million pounds U3O8. This represents an overall increase of 5.5 million pounds U3O8 compared with the earlier estimate of March 2010. The resource estimate also includes an Indicated and Inferred resource of 3.3 million pounds and 2.2 million pounds molybdenum, respectively.

In July 2009, Tournigan announced the results of a Preliminary Assessment of the Kuriskova Deposit. At a mine life of 15 years, average annual production is calculated at 1.38 million pounds U3O8 per year at an operating cost of US\$ 17 per pound in the first 5 years and US\$ 32 per pound over the 15-year mine life. This was based on a previous resource estimate of February 2009. With the additional high grade U3O8 identified in the March, 2010 and April 2011 resource estimates, we expect the overall life-of-mine operating costs to be reduced significantly.

In 2010, Tournigan has targeted additional high-grade uranium mineralization in Zone 45. Infill and delineation drilling in Kuriskova's Main Zone will have the objective of bringing more of the currently Inferred high-grade uranium mineralization to the Indicated Resource category.

In August 2011, Tournigan announced that it continues to advance a NI 43-101 compliant Prefeasibility Study for the Kuriskova Project expected to be completed in December 2011.

On October 17, 2011, Tournigan announced the first NI 43-101 compliant resource estimate for its Novoveska Huta Uranium Deposit, which adds 3.75 million pounds of Measured and Indicated U3O8 and 12.74 million pounds of Inferred U3O8 to its Mineral Inventory.

Of the 7 uranium exploration projects to be acquired by Tournigan, Mawson's **Nuottijarvi Project** located in north-central Finland has an Inferred resource estimate of 2.0 million tonnes averaging 0.074% U3O8, containing 3.27 million pounds of U3O8 using a cut-off of 0.03% U3O8 (not independently verified).

At the **Riutta Project** located in southern Finland a total of 65 holes (6,275 metres) have been drilled. Best drill results to date include 11.3 metres at 0.68% U3O8 (including 3.7 metres at 1.53% U3O8) and 3.6 metres at 1.110% U3O8 (including 0.35 metres at 9.79% U3O8).

In west-central Sweden, the **Klappibacken Project** in the Hotege District has an Indicated resource of 1.28 million tonnes averaging 0.077% U3O8, containing 2.17 million pounds of U3O8, using a cut-off grade of 0.025% U3O8 (not independently verified).

The **Duobblon project area** is located in northwest Sweden and has an Inferred resource estimate of 13.8 million tonnes averaging 0.029% U3O8, containing 8.75 million pounds of U3O8 using a cut-off grade of 0.01% U3O8 (not independently verified).

At the **Kapell Project** in central Sweden, to date three targets have been identified with drill intercepts of 2.65 metres at 1.54% eU3O8 (Avika) and 1.55 metres at 2.38% eU3O8 (Tossassjon).

► **Conditions of closing:**

The parties' obligations to complete the transactions are subject to TSX Venture Exchange approval of all elements of these transactions on terms acceptable to the parties satisfactory results of due diligence and settlement of formal documentation.

Investment recommendation:

With the Kuriskova Deposit's Indicated resource having been upgraded in April 2011 to 28.5 million pounds U3O8 at a current grade of 0.555%, showing a significantly higher grade than other advanced stage uranium developments, and the Company having completed a Preliminary Assessment which has calculated a 1.38 million pounds U3O8 annual production, in our view, at a current depressed market capitalization of just Cdn\$ 16.5 million, enhanced by the acquisition of Mawson's uranium projects in Finland and Sweden, we view Tournigan as one of the most undervalued speculative investment opportunities amongst worldwide uranium junior companies.