

Uraniumletter INTERNATIONAL

the international independent information and advice bulletin for uranium resource investments

October 2010

SHORTLIST OF URANIUM INVESTMENT RECOMMENDATIONS - as at September 30, 2010

Location of listing	Trading symbol		Share price <i>current</i>	Year-end <i>2009</i>	Change in %	12 months H	L	Net issued shares (million)	Market capitalization
Canada			Cdn\$	Cdn\$		Cdn\$	Cdn\$		Cdn\$ mln.
Uranium One	UUU	TSX	3.47	3.02	15	3.62	1.97	587.7	2,039.3
Forsys Metals	FSY	TSX	2.00	4.10	-51	4.85	1.40	79.5	159.0
Mega Uranium *	MGA	TSX	0.62	0.76	-18	0.65	0.60	246.1	152.6
Ur-Energy *	URE	TSX	1.01	0.81	25	1.08	0.76	98.9	99.9
Strateco Resources *	RSC	TSX	0.57	0.82	-30	4.85	1.40	79.5	45.3
Tournigan Energy *	TVC	TSX.V	0.17	0.23	-26	0.35	0.09	152.7	26.0
Khan Resources *	KRI	TSX	0.39	0.63	-38	1.08	0.18	53.9	21.0
United Kingdom			£	£		£	£		£ mln.
Kalahari Minerals 1)	KAH	LSE	1.49	1.55 1)	-4	2.17	1.44	226.2	337.0
Niger Uranium	URU	LSE	0.05 2)	0.03	67	0.08	0.03	113.2	5.7
United States			US\$	US\$		US\$	US\$		US\$ mln.
Uranium Energy *	UEC	AMEX	3.28	3.78	-13	4.16	2.11	60.7	199.1
Australia			A\$	A\$		A\$	A\$		A\$ mln.
Deep Yellow *	DYL	ASX	0.18	0.17 3)	6	0.40	0.12	1125.8	202.6
Alliance Resources *	AGS	ASX	0.43	0.60	-28	0.72	0.28	341.2	146.7
Greenland Minerals & Energy * 4)	GGG	ASX	0.55	0.58	-5	0.94	0.30	250.3	137.7
Manhattan Corp. *	MHC	ASX	0.78	1.27	-39	1.82	0.57	90.2	70.4
African Energy Resources *	AFR	ASX	0.17	0.08 5)	113	0.24	0.06	282.8	48.1
Raisama *	RAI	ASX	0.19	0.50	-62	0.62	0.15	82.3	15.6

1) 40% equity interest in Extract Resources; included as at September 1, 2010

2) after payment of an aggregate dividend of 36.4 pence per share in April/May 2010 from the sale of 20,912 million Kalahari Minerals shares at £ 1.65/1.665 for gross proceeds of £ 22.4 million

3) included as at September 1, 2010

4) also the world's largest undeveloped rare earth elements resource; share price as at July 30, 2010

5) included as Special Situation as at August 1, 2010

Removed:			Cdn\$	Cdn\$	Cdn\$	Cdn\$		Cdn\$ mln.	
Crosshair Exploration & Mining	CXX	TSX	0.14 x	0.20	-30	0.32	0.11	131.5	18.4
Extract Resources	EXT	ASX	6.06 xx	8.32	-27	11.45	6.03	243.3	1,474.4

x as at July 31, 2010

xx as at August 31, 2010

2010 market performance to date : -8%

2009 market performance: 125%

2010 market performance featured companies to date: - 9.6%

2009 featured companies : 212%

* featured as Special Situation



Mega Uranium (MGA – TSX) is an international mineral resources company with quality uranium resources in Australia and interests in extensive exploration properties in Australia, Canada and Cameroon.

In **Australia**, Mega holds or is earning an interest in 16,000 km² of ground in Queensland, South Australia, Northern Territory and Western Australia.

Lake Maitland, the Company's largest uranium deposit, located in Western Australia, has a NI 43-101 compliant Indicated resource of 23.8 million pounds U3O8 and an Inferred resource of 2.2 million pounds U3O8;

Ben Lomond has 10.7 million pounds U3O8 in Indicated + Inferred resources; the Maureen Deposit has a NI 43-101 compliant Indicated resource of 5.95 million pounds U3O8 and an Inferred resource of 0.38 million pounds U3O8; and other Georgetown deposits have a historical Inferred resource of 6.4 million pounds U3O8.

At the end of February 2009, Mega announced that it had entered into an agreement to sell a 35% interest in the Lake Maitland Project to JAURD and ITOCHU of Japan for an aggregate amount of US\$ 49 million. This values the total Project at US\$ 140 million, compared with an in-the-ground value of approximately US\$ 1.2 billion.

Mega was granted a Mining Lease for Lake Maitland in October 2009, which is a major step in the permitting process. The project is now at the definitive Feasibility Stage on schedule to commence uranium production in early 2012.

In April 2010, Mega announced that the Western Australian government had finalized the level of environmental assessment and the environmental approvals process.

The Project will be assessed as an Environmental Review and Management Programme ("ERMP"), which is the highest level of assessment in Western Australia. The public review period for the ERMP has been extended from 10 to 14 weeks, which is consistent with the review period for the other uranium projects in the close proximity to Lake Maitland.

Corresponding to the established environmental approvals process, Mega has commenced the next stage with the submission of the first draft of the Environmental Scoping Document ("ESD") to the Environmental Protection Authority ("EPA"). The ESD has been released for public review until July 5.

Mega plans to have the first draft of the ERMP ready for submission to the EPM for review towards the end of 2010, with the expected release for public review mid-2011.

On September 29, 2010, Mega announced the approval of a test pit program for its Maitland Uranium Project by the Western Australian government. The Company has commenced preparations for the program and expects to begin work on site in October 2010. It is expected to take approximately 6 weeks to complete. Mega also intends to undertake an exploration drilling program to seek extensions to the known Project resource.

On September 22, 2010, Mega announced that a 3,000 ere 12-hole diamond core drilling program is underway at its Kintyre Rock Project near Cameco-Mitsubishi's Kintyre uranium resource.

As at June 30, 2010, Mega had mineral properties and related expenditures from its continuing operations of Cdn\$ 279.8 million, as compared to Cdn\$ 280.1 million as at the end of fiscal year 2009 (ended as at September 30, 2009). The decrease is due to mineral write downs of Cdn\$ 5 million, utilization of Cdn\$ 8.9 million of funds received under the AURD Agreement, which are recorded as a reduction from mineral properties, offset by expenditures of Cdn\$ 13.6 million in Australia, Cameroon and Canada.

The total book value of Australian properties as at June 30, 2010 amounted to Cdn\$ 191.1 million (68% of total book value of the Company's assets), Canadian properties Cdn\$ 47.2 million (17%) and Cameroon properties Cdn\$ 41.5 million (15%).

As at June 30, 2010, Mega had cash, cash equivalent and marketable securities totalling Cdn\$ 53.3 million, as compared to Cdn\$ 21.9 million at the end of September 2009.

The increase is primarily attributable to the proceeds from the private placement of 58.82 million units at a price of \$ 0.85 per unit for total net proceeds of Cdn\$ 46.3 million in October 2009.

In the first half of 2010, Mega continued its feasibility study of the Lake Maitland Project and progressed exploration of priority projects in Australia, Canada and Cameroon.

In **Canada**, Mega has interests in uranium exploration properties in the country's premier areas, including the Central Mineral Belt of Labrador (joint ventures with Virginia Energy), the Wernecke Mountains in the Yukon (joint venture with Cash Minerals), Athabasca Basin in Saskatchewan (option/joint venture with Forum Uranium and the Thelon Basin in Nunavut (joint venture with Titan Uranium).

In **Cameroon**, Mega has extensive ground holdings over the most significant uranium occurrences known in the country, including the Lolodorf, Kitongo and Salaki prospects.

In April 2010, Mega closed the sale of its South American assets to **U3O8 Corp.** (UWE – TSX.V). Under the terms of the transaction, the Company transferred all of its South American properties and Cdn\$ 4.0 million in cash to U3O8 Corp. in exchange for 30.56 million common shares of U3O8 Corp. valued at Cdn\$ 7.0 million.

As part of the terms of the Sale, Mega declared a dividend-in-kind on its common shares in the form of a pro rate distribution on April 26, 2010 to holders of record of Mega shares at the close of business on April 16, 2010.

The disclosure of Mega's South American assets and the associated dividend represent the first step of the Company's initiative to unlock shareholder value attributable to its non-core exploration properties. As Mega continues to focus on bringing its Lake Maitland Property to production, it is currently evaluating its remaining portfolio of exploration properties outside of Australia, and, in particular its Canadian properties, with a view to identify opportunities to maximize the properties' potential and enhance shareholder value. Such opportunities could include a sale or spin-off of the properties.



Strateco Resources (RSC - TSX) owns 100% interest of 5 uranium properties and has an interest to option 3 mining properties all located in Quebec, Canada. The properties cover 1,068 claims for a total area of 56,747 hectares. The Company's flagship property is the

Matoush Project which covers 212 km on strike length of 312 km and its structure has been traced 11 kilometres to the south and 2.5 kilometres to the north.

In September 2009, Strateco reported Indicated resources doubled to reach 436,000 tonnes grading 0.78% U3O8 containing 7.46 million pounds U3O8. With Inferred resources estimated at 1.16 million tonnes grading 0.50% U3O8 containing 12.78 million pounds U3O8, total resources are now 20.24 million pounds of U3O8 with the average grade having increased 20% to 0.58% U3O8.

A 120,000 metre drilling program, including the 5,000 metres drilled since September 2009, is aimed at establishing whether the Matoush structure has the potential to contain over 60 million pounds of U3O8. The program budget is in the order of Cdn\$ 16 million.

The drill results obtained to date clearly show that the entire length of the Matoush structure (13.8 km) could be mineralised.

17 holes have been completed since systematic exploration began and about 40 more holes are required to cover the entire structure to a vertical depth of about 420 metres.

All the holes drilled during the 2009 campaign on this spacing have intersected the typical alteration envelope seen in the AM 15, MT-22 and MT-34 mineralised zones.

On February 24, 2010, Strateco announced an update of its Preliminary Assessment (Scoping Study). The Mill design was modified to increase annual mill capacity from 2.0 million to 2.7 million pounds U3O8 and 17.8 million pounds over a mine life of 7 years.

At an estimated cost of Cdn\$ 27.84 (US\$ 23.66) per pound U3O8 and an evaluation price of US\$ 75 over the life of the Project, this offers a total operating profit of Cdn\$ 1.04 billion and a Net Present Value of Cdn\$ 323.53 million (\$ 148.26 million at an evaluation price of US\$ 60).

Since September 2009 and for the next two years, 2010 and 2011, Strateco plans to concentrate the bulk of its exploration efforts to the Matoush structure, and more precisely to the ACF-4, which starts at a vertical depth of about 400 metres and extends to a vertical depth of about 85 metres.

It was the ACF-4 that Strateco discovered the MT-22 and MT-34 zones in 2008. The AFC-3, which hosts the AM-15 zone and lies between a vertical depth of 200 and 250 metres, is not expected to be tested by the upcoming drilling program.

Even though, the ACF-3 still holds potential to find lenses similar to the AM-15, which holds indicated resources of 4.03 million pounds of U3O8.

A total of 26,711 metres have been drilled on the Matoush Project since the beginning of 2010. Since exploration began in 2006, in total 186,927 metres (424 holes) have been drilled.

The main targets are on the Eclat Property and the Matoush Property.

On September 15, 2010, Strateco announced a Cdn\$ 2.5 million bridge loan with SEDEX, which was established by the government of Quebec and the Solidarity Fund QFL. The funds are intended to act as a bridge in the event the payment of Strateco's 2009 refundable tax credit for resources is delayed.

As at June 30, 2010, Strateco had earned a total of Cdn\$ 13.4 million in tax credits, of which Cdn\$ 5.7 million related to 2009 refundable tax credits.



Ur-Energy (URE – TSX) is focused on the identification, acquisition, exploration and development of uranium properties in both the United States and Canada.

In the **United States**, the Company's current Wyoming properties contain NI 43-101 compliant resources in the order of 22 million pounds U3O8 Indicated plus almost 3 million pounds in the Inferred category. Additional potential for discovery arises from 60 million historical pounds U3O8 (non NI 43-101 compliant).

Ur-Energy's flagship property is the **Lost Creek Project** in the Great Divide Basin with a NI 43-101 compliant Indicated resource of 9.8 million pounds u3O8, and an additional 1.1 million pounds U3O8 Inferred resource.

A NI 43-101 compliant preliminary Assessment completed in 2008 conducted favourable economic conditions for product and plant operations on the Lost Creek Project.

In Early December 2009, the US Nuclear Regulatory Commission (NRC) released the Draft Supplemental Environmental Impact Statement (SEIS) for the Project. The positive recommendation of the Draft SEIS document is an indication of significant progress toward approval of the NRC licence for the Project.

Ur-Energy anticipates completion of these efforts to lead to ISR mining in early 2011 to ramp up to a rate of 1 million pounds U3O8 per year. The Company is also planning and permitting a 2 million pounds U3O8 per year in-situ uranium processing plant.

In March 2010, Ur-Energy announced that the 2009/2010 delineation program at the Lost Creek Project had identified more than sufficient uranium resources to ensure continuous production after start-up.

The 2009/2010 drill program was focused on delineating a second production well field (Mine Unit # 2) in the HJ horizon, the primary resource unit at Lost Creek.

During the eight month program from July 2009 through February 2010, 298 holes totalling 213,040 feet (64,935 metres) of delineation and monitor well drilling were completed.

To date, Ur-Energy has completed 1,048 drill holes totalling 690,828 feet (210,567 metres) on the Lost Creek Property.

On March 22, 2010, the Company announced plans for its LC South Project, which includes a drilling program and the commissioning of a preliminary resource estimate prepared under NI 43-101.

The LC South Project is adjacent to the Lost Creek Permit Area and the site of some of the exploration targets identified by Ur-Energy during 2009 as the result of in-depth in-house geologic evaluations.

Ur-Energy now controls nearly 34,000 acres (approximately 13,800 hectares) in and around its Lost Creek Project, including the Lost Creek Permit Area, LC North, LC South, EN and Toby projects.

Ur-Energy will carry out aggressive exploration on the newly identified targets on its properties adjacent to Lost Creek and will begin a 200-hole drill program on LC South in July 2010.

It is estimated that as many as 2,000 to 3,000 drill holes will be required over the course of several years to fully evaluate the various new exploration targets on LC South, as well as LC North and areas within the Lost Creek Permit Area.

In addition, Ur-Energy will commission an independent NI 43-101 study to further evaluate selected portions of the roll fronts and exploration targets previously identified with the objective to report on Inferred resources within the LC South project area.

The NI 43-101 report will be based upon existing data from approximately 60 mineralised drill holes on the LC South Property. It is expected that the NI 43-101 report may be completed in the second quarter of 2010.

On June 1, 2010, Ur-Energy announced the receipt of final permit approval from the State of Wyoming for the construction and operation of UIC Class I injection wells.

With the Wyoming Department of Environmental Quality (WDEQ) having finalized its approval of the Class I Underground Injection Central Permit (UIC Permit), Ur-Energy is authorized to drill, complete and operate up to 5 Class I non-hazardous injection wells at the Lost Creek site.

Crosshair Exploration & Mining (CXX – TSX) has earned a 75% interest by spending US\$ 3.0 million in exploration in the Company's **Bootheel Project** in the Shirley Basin, Wyoming, Crosshair has announced a NI 43-101 compliant Indicated resource of 1.09 million pounds U3O8 and an Inferred resource of 3.25 million pounds U3O8.

On Ur-Energy's **Hauber Project**, Wyoming, Bayswater Uranium (BYU – TSX.V) can earn a 75% interest by incurring eligible exploration expenditures of US\$ 1.0 million over 4 years.

In **Canada**, Ur-Energy has two exploration projects in the Thelon Basin in the Northwest Territories, and a third Project in the Baker Lake Basin, Nunavut.

As at June 30, 2010, the Company had a cash position of Cdn\$ 30.3 million which is sufficient to get the Lost Creek project into production after receiving the final necessary licences in the upcoming months.

On June 1, 2010, Ur-Energy announced that it had closed a brokered private placement financing for 5.0 million common shares at a price of Cdn\$ 1.00 per share for gross proceeds of Cdn\$ 5.0 million.



Khan Resources (KRI – RSX.V) is holding a mining licence for the **Dornod Uranium Project**, one of Mongolia's largest uranium deposits through a 58% owned subsidiary Central Uranium Company (CAUC), with the remaining shares equally split between the Mongolian Government and Russian state-controlled Priargunsk (each 21%). Priargunsk is 80% held by state-controlled TVEL, which produces 17% of the world's nuclear fuel.

The **Dornod Deposit** is an advanced development project with over US\$ 150 million invested by previous Russian owners.

Khan finished a definitive feasibility Study on the Deposit in March of 2009 and pegged production at an average of 3.0 million pounds of U3O8 per annum at a cost of US\$ 23.22 per pound and over a mine life of 15 years and put probable reserves at 52.9 million pounds of U3O8 out of the 64.3 million pounds of NI 43-101 compliant Indicated resources. The Project assumes a U3O8 price of US\$ 65 per pound and an initial capital cost of US\$ 333 million, which generates a cash flow of US\$ 909 million.

The Net Present Value is estimated at US\$ 288 million, assuming a 10% discount.

Khan signed a Letter of Intent with Japan's Marubeni in October 2008 to discuss joining focus on Dornod, but on July 16, 2009 Mongolia's legislature passed a new Nuclear Energy Law effective August 15, 2009, which gives the Mongolian government the right to take ownership without payment of not less than 51% of the shares of a project or joint venture if uranium resources were determined through exploration with state funding, or not less 34% if State funding was not used during exploration to determine the resource.

To that effect, on January 11, 2010, Khan announced that CAUC had received a formal notice from the State Property Committee of Mongolia (SPC) requiring CAUC to propose to its shareholders a resolution to approve an increase of the Mongolian State ownership in CAUC to 51%.

On January 14, 2010, Khan was informed by the legal council in Mongolia representing CAUC that a settlement had been reached with the Mineral Resources Authorities of Mongolia (MRAM) whereby the suspension of CAUC's mining licence 237A has been terminated being an essential step in the ongoing re-registration process of CAUC's two licences.

In conjunction with the passing of the new law, the Mongolian government also passed certain procedures related to the re-registration of existing exploration and mining licences held prior to the Law becoming effective. The closing date for the submission of the re-registration application for Khan's two key Dornod licences was November 15, 2009.

On November 27, 2009, Khan was informed that Atomredzoloto (ARMZ) a Russian state-owned nuclear energy corporation, intended to make an unsolicited offer to purchase all of the Company's outstanding common shares for Cdn\$ 0.65 per share in cash, valuing the Company at Cdn\$ 391 million and representing a premium of 48% compared to its latest share price of Cdn\$ 0.44.

The Company's Board of Directors unanimously recommended to reject the offer.

On January 25, 2010, Khan announced that it had signed a non-binding memorandum of understanding (MOU) with MonAtom LLC, the Mongolian state-owned uranium development company, to finalize the ownership structure surrounding the Dornod Uranium Project, and create a framework for developing the Project and bringing it into operation as expeditiously as possible and to protect and preserve value for Khan's shareholders.

On February 1, 2010, Khan announced that it had entered into a definitive agreement with CNNC Overseas Uranium Holding, a Chinese nuclear energy cooperation based in Beijing and an indirectly owned subsidiary of China National Nuclear Corporation, pursuant to which CNNC has agreed to acquire all of Khan's outstanding shares for Cdn\$ 0.96 per share in cash.

The CNNC offer represented a premium of approximately 118% to the closing share price prior to the ARMZ unsolicited bid, and a 48% premium to the unsolicited Cdn\$ 0.65 share bid which expired on February 1, 2010 and was abandoned.

Khan's Board of Directors unanimously recommended that shareholders accept the CNNC offer and tender their shares to the offer.

On May 21, 2010, Khan was informed by CNNC that it failed to obtain regulatory approval for its offer and had allowed its offer to expire.

In the meantime, CAUC and its 100%-owned Mongolian subsidiary Khan Resources LLC received notice from the Mongolian Nuclear Energy Agency (the "NEA") stating that CAUC's mining licence and Khan's Mongolian exploration licence have been invalidated. Khan responded by filing a formal claim in the Mongolian Capital City Administrative Court, which on July 19, 2010 was ruled in favor of Khan.

The NEA has appealed the Court's decision on CAUC, which is expected to be heard shortly.

A court ruling in August 2, 2010 that declared that the NEA decision to invalidate Khan Mongolia's exploration licence covering part of the Dornod Uranium property was illegal and invalid, has not been disputed by NEA.

On August 20, 2010, Khan announced that it had filed a statement of claim against ARMZ and its affiliate Priargunsk, seeking damages from ARMZ and its affiliate in the total amount of Cdn\$ 300 million.

This includes equitable compensation resulting from their breach of fiduciary duties as one of Khan's joint venture partners and a shareholder of CAUC.



Tournigan Energy (TVC – TSX.V) has been exploring for uranium and other metals in Slovakia for over 6 years. The Company holds a 100% interest in 6 uranium licences covering 51.8 km² within the 60-km strike length of the Slovak Carpathian Uranium Belt.

On March 24, 2010 the Company announced that it had completed an updated resource estimate which significantly increases the amount of uranium contained in the Indicated resource and increases the overall size and grade of the Deposit.

About 5.9 million pounds of U₃O₈ have been added to the Indicated resource category, bringing the Indicated resource to over 20.5 million pounds of U₃O₈. The average grade has increased from 0.558% to 0.571% U₃O₈.

Overall, the uranium oxide contained in the Kuriskova Deposit has increased by 5.5 million pounds of U₃O₈ and now comprises 20.5 million pounds in Indicated resources and an additional 17.5 million pounds in Inferred resources.

In July 2009, Tournigan received the results of a Preliminary Assessment. At a mine life of 15 years, average annual production is calculated at 1.38 million pounds U₃O₈ in the first 5 years at an operating cost of US\$ 17 per pound U₃O₈.

The Company has discovered a new zone of high grade mineralization, currently showing an average grade of 0.677% U₃O₈ and known as Zone 45. This zone remains open along strike and has the potential to add significant amounts of high grade uranium mineralization with further drilling.

Tournigan is confident that the upgraded Indicated resource will be the basis of a reserve as the Company continues with the ongoing pre-feasibility study at Kuriskova.

On July 20, 2010, Tournigan announced to immediately start a step-out and infill drilling program, comprising about 4,500 metres. Drilling will initially focus on drill step-outs to test for expansion of the high-grade Zone 45.

On August 3, 2010, Tournigan announced that metallurgical testing for a pre-feasibility study indicates recoveries of over 90%.

On April 15, 2010 Tournigan announced that it had completed the sale of all of the participation interests in Kremnica Gold and Kremnica Gold Mining, the holder of the Kremnica Gold Deposit located in Slovakia to Ortac Resources.

Ortac has paid Tournigan US\$ 100,000 and delivered a US\$ 1.9 million non-interest bearing promissory note secured by all the assets of Ortac that will be due for settlement upon Ortac completing a Public Listing (IPO) during 2010.

In addition, within 60 days of all required permits having been obtained to permit commercial production of the Kremnica Property, Ortac will pay Tournigan US\$ 3.75 million in cash or in Ortac shares to the equivalent cash value being \$ 15.00 per ounce of the first 250,000 ounces of gold equivalent (gold plus silver) resource defined as proven and probable reserve in the bankable feasibility study.

On July 14, 2010, Tournigan announced that it had completed a non-brokered private placement of 30 million units at Cdn\$ 0.10 per unit for gross proceeds of Cdn\$ 3.0 million. Each unit is comprised of one common share and one-half of one common share purchase warrant. Each warrant entitles the holder to purchase one additional share of the Company for the period of two years at an exercise price of Cdn\$ 0.20.

Tournigan will use the net proceeds of the private placement to advance its high-grade Kuriskova Uranium Project.



Uranium Energy (UEC – AMEX) controls one of the largest uranium exploration and development information libraries in the US, which contain over 5.0 million feet of drilling data, covering every state in the US, Australia, and Canada.

The Company has a project portfolio of 34 properties of 6 US States totalling 39,224 net mineral acres. Its project portfolio includes total resources of 34 million pounds U3O8, including 10.4 million pounds U3O8 of NI 43-101 compliant resources.

With the acquisition of 100% ownership of the South Texas Mining Venture, which includes the fully licensed and permitted Hobson Processing Plant and the fully permitted **Palangana ISR Uranium Project**, which is expected to begin production in the fourth quarter of 2010, UEC will become the next new uranium producer in the US.

Two production zones at Palangana (PA-1 & PA-2) have NI 43 101 qualified resource estimates Measured & Indicated: 1,057,000 pounds U3O8 at an average grade of 0.135% eU3O8. Six potential production zones have NI 43-101 qualified resource estimates Inferred: 1,154,000 pounds U3O8 at an average grade of 0.176% U3O8.

UEC is also developing its advanced-stage **Goliad ISR Project** in South Texas, with ISR uranium production expected to begin in 2010. The Project has 6.9 million pounds U3O8, of which 5.4 million pounds is Measured and Indicated, and 1.5 million pounds is Inferred. Uranium mineralization as currently defined by historic drilling remains open laterally in all directions, providing excellent potential targets for additional drilling and increasing the size of the resource.

Goliad is in the final stages of permitting.

In addition to the 6.9 million pounds of U3O8 resources at Goliad, UEC established an Inferred resource of 1.3 million pounds of U3O8 for the **Nichols Property**.

With production at Palangana being followed by Goliad and Nichols, this would make it possible to quickly ramp up annual production to the 2.5 million pounds a year installed processing capacity at the Company's Hobson Processing plant.

In June 2010, UEC acquired the full database of historic drill results from the Company's 100%-controlled **Salvo ISR Project** in South Texas, containing a historic resource of approximately 1.5 million pounds of U3O8.

Salvo is the fourth prospective satellite for UEC's Hobson Processing Facility.

UEC is well financed with a current cash position of over US\$ 19 million, and the Company having no debt.



Deep Yellow (DYL – ASX) is an Australian-based uranium focused company with extensive operations in the southern Africa nation of **Namibia** and **Australia**. The Company is targeting becoming an uranium producer in Namibia in 2013-14, as it strives to continue to successfully ground its uranium resource base through delineation of previously identified mineralization, discovery and/or merger and acquisition opportunities.

On July 28, 2010, Deep Yellow announced an update of the Mineral resource estimate in accordance with the JORC code by the MSA Group of South Africa, for the "Main" Resource area at its Inca Project. This resource update increased total Indicated and Inferred resources at Inca by 17% and increased the rate by 9% with the updated resource totalling 17.1 million tonnes at 436 ppm of U3O8 for 7,429 tonnes (16.4 million pounds) U3O8 at 200 ppm U3O8 cut-off. In addition, total Indicated resources doubled to 10 million pounds U3O8.

Since the announcement resource work has continued at Inca, with a second update, which will include sections of deeper but higher grade mineralization, expected by the end of October 2010.

Deep Yellow has a total resource of 165.8 tonnes grading 264 ppm (0.026%) U3O8 containing 43,807 tonnes U3O8 or 96.5 million pounds U3O8, including 17.1 million pounds in the Indicated category and 77.1 million pounds in the Inferred category.

On September 30, 2010, Deep Yellow announced that it had completed a review of the November 2007 Mineral Resource estimate for its Tubas Palaeochannel Project with the existing resource estimate by Geomine Consulting Namibia including a high-grade subset within the total resource, which could warrant a scoping study.

At a 200 ppm U₃O₈ cut-off grade, the Inferred resource estimate at Tubas totals 22.8 million tonnes at 0.046% (445ppm) U₃O₈ for 10,369 tonnes or 22.9 million pounds contained U₃O₈.

Earlier in September, Deep Yellow announced that high-grade uranium mineralization at the Tubas Alaskite prospect, renamed Ongolo Alaskite Project, confirmed the extension to a strike length of 2 kilometres. Drilling returned intercepts of 16 metres at 665 ppm cU₃O₈ from 68 metres (ALAR 125) and 12 metres at 615 ppm CU₃O₈ from 137 metres and 27 metres at 513 ppm cU₃O₈ from 171 metres (ALAR 1126).

Deep Yellow had net cash of A\$ 28.2 million and no debt as at July 31, 2010. Paladin Energy holds a 19.56% equity interest in the Company.



Alliance Resources (AGS – ASX) has a 25% participating interest in the Four Mile Joint Venture, where its joint venture partner and manager Quasar Resources is developing the **Four Mile Uranium Project**, one of the three Australian States and Territories that currently allow uranium mining.

The Project's JORC-compliant mineral resource estimate was increased in January 2010 by 16% to 32,000 tonnes containing 71 million pounds eU₃O₈ at an average grade of 0.33%.

The increase included an upgrade of 4,00 tonnes (32 million pounds) U₃O₈ at an average grade of 0.34% from Inferred to Indicated classification, in accordance with JORC code, with the balance classified as Inferred.

The increase was due to an updated mineral resource estimate at the **Four Mile West Deposit (FMW)** to 19,000 tonnes (42 million pounds) U₃O₈ at an average grade of 0.33%. It excludes additional U₃O₈ mineralization above or within about 20 metres of the water table over 0.73 km² in the western area at FMW. This could potentially add up to 30% to FMW resources on a contained U₃O₈ basis if this mineralization is provided recoverable by ISR or mineable by other means.

In September 2008, Alliance announced the decision to mine the Four Mile Project using ISR technology as the recommended basis for mine development.

Uranium concentrate production is proposed pending the grant of a Mining Lease, at a targeted production rate of 3 million pounds of U₃O₈ per annum. Due to a delay in registering the Native Title Registration, production is now not expected to occur before the end of 2010.

On July 28, 2010, Alliance announced that it had received the final Scoping Study report prepared by Como Engineers and Como-ACE in relation to the capital cost estimate for the design, procurement and construction of an In-Situ recovery (ISR) and uranium processing facility, to be developed as a stand alone project with a production rate of approximately 5 million pounds U₃O₈ per annum.

Capital costs at an accuracy rate of approximately 30% are estimated at A\$ 168 million at an operating cost of A\$ 21.73 per pound.

There exists significant potential for expansion of the mineral resource base with further evaluation and estimation of a mineral resource for the western area mineralization at FMW where mineralization remains open to the west and northwest and there is approximately 30 kilometres of a largely untested range/root.

The combined grades from Four Mile East and Four Mile West have the potential to make the Four Mile Uranium Project the highest-grade operating uranium mine in Australia and, as the Company moves towards first production in 2011, the highest-grade and largest ISR operation in the world, with likely favorable effects on the project economics.

Further development of the Project is subject to the delayed registration of a native title mining agreement on which Alliance has issued further proceedings against Quasar and Heathgate (seeking damages from Heathgate and damages and restitutions of the 75% interest in the exploration licence over the Four Miler area from Quasar).

To conserve cash to meet Alliance's commitments to the Four Mile Project, the Company is in the process to sell its Maldon Gold Project.

The Company has cash reserves of A\$ 38.4 million as at June 30, 2010.



Greenland Minerals and Energy (GGG – ASX)

has secured to acquire 61%, with options to acquire up to 100% of the **Kvanefjeld Project** on the southwest tip of Greenland and is recognized as the world's largest undeveloped multi-element occurrence of rare earth oxides, sodium fluoride and uranium.

In June 2009, Greenland Minerals and Energy released an updated resource statement confirming Kvanefjeld, at a total 4.91 million tonnes REO, including 0.12 million tonnes or 283 million pounds of U3O8 and 2.21 million tonnes NaF, to be the largest undeveloped rare earth resource in the world.

Early indications are that uranium represents approximately a quarter of the total in ground value of the Kvanefjeld Deposit, to be estimated at more than US\$ 40 billion.

In 2009, Greenland Minerals' focus has shifted from exploration and resource definition to the requirements of a Pre-Feasibility Study on the Kvanefjeld Project, the results of which were released on February 1, 2010, and provide a Net Present Value (NPV) of US\$ 2.18 billion and calculated a free cash flow of US\$ 8.9 billion over the 23-year mining period, if developed.

A mine processing plant capable of treating 10.8 million tonnes per year is expected to cost US\$ 2.31 billion. Construction is scheduled to commence in 2013 and first production in 2015.

On May 26, 2010, Greenland Minerals announced that the South Greenland Municipal Council officially supports removal of the current uranium policy of zero tolerance, and on ongoing feasibility studies at Kvanefjeld.

The Company aims to commence these work programs in 2011 and work through the definitive feasibility process in close consultation with Greenlandic stakeholders.

Greenland's labor union (SIK) has backed a change from the current uranium policy to a by-product ruling with a uranium concentration of 0.1%.

On September 10, 200, Greenland Minerals announced that the Greenland government had introduced an amendment to Standard Terms for Exploration Licences in Greenland. The amendments allow for, upon application approval, the inclusion of radioactive elements as exploitable minerals for the purpose of thorough evaluation and reporting.

Greenland Minerals' application under these regulations has been approved.

In early July 2010, Greenland Minerals formalised a A\$ 6 million capital raising and established an A\$15 million equity facility that provides the Company with a further A\$ 21 million to fund ongoing work programs on the Kvanefjeld Project.



Manhattan Corporation (MHC – ASX) completed a merger with Manhattan Resources in July 2009 and has emerged as a well funded company (over A\$ 8 million in cash and liquid investments in listed uranium companies) with a significant Inferred resource of 10.9 million pounds U3O8, contained in 16 million tonnes grading 310 ppm

U3O8, and a further drill potential of 6.6 to 15.4 million pounds U3O8 already reported for its flagship project, the **Double 8 Deposit** in its 100% owned **Ponton Project**, located 200 km east-northeast of Kalgoorlie within the Gunbarrel Basin in Western Australia.

The Ponton Project includes the 11 million pounds Double 8 Uranium Deposit that is known to contain a further drilled mineralised potential of 6.6 to 15 million pounds of U3O8. The Deposit is located in the Queen Victoria Spring Nature Reserve (“QVSNR”). In addition, in the second half of 2009, advanced drill targets were delineated along 25 kilometres of the palaeochannel at Stallion, Stallion South and Double 8 and at Ponton Creek to the south and Highway Channel, The Shelf and East Arm to the north and east of Double 8.

The 60,000 metre A\$ 4 million resource definition program at Double 8 awaits WA government access approvals and exploration licence grant.

In January 2010, Manhattan successfully applied for 6 new Exploration Licence applications at its Ponton Project. The Company’s 2,030 km² granted licences and applications at Ponton now cover the majority of the known palaeochannels prospective for aquifer sand hosted uranium mineralization potentially amenable to in situ leach (“ISL”) uranium recovery techniques.

In March 2010, Manhattan recommenced drilling at Stallion. A 40,000 metre A\$ 3 million program of aircore drilling is underway that will first drill the Stallion discovery on 400 metres by 100 metre centres over 8 kilometres of strike of the Ponton palaeochannel. The program will then systematically drill test the Highway Channel, East Arm and The Shelf targets to the north of the QVSNR in 2010.

By June 2010, 19,700 metres of air core drilling was completed at the Stallion, Highway and Highway North targets.

Stallion drilling intersected anomalous uranium mineralization from 200 metres to 1,000 metres wide over 8 kilometres of strike.

A maiden resource estimate for Stallion anticipated for release in the December 2010 quarter.

At **Gardner Range**, Northern Uranium (NTU – ASX) has defined a series of new priority drill targets with potential for high grade uranium ore deposition in Manhattan’s ground. Northern, with Areva as operator, have the right to earn a 60% interest by expenditure of \$1.05 million. Northern flew a detailed VTEM survey and identified prospective conductors extending for 6 kilometres in Manhattan’s E80/3275 and also revealed that the conductor beneath the Don prospect extends to the west northwest below sandstone cover towards Northern’s 100% owned Soma exploration licence.

Northern Uranium and Areva have announced a A\$ 2 million, 7,800 metres RC drilling program for priority targets at the Gardiner Tanami Project of which 3,000 to 3,500 metres of drilling is planned to be undertaken at two targets of Manhattan’s tenements.

Manhattan is well financed with over A\$ 6.7 million in cash and investments in ASX-listed uranium companies as at the end of June 2010.



African Energy Resources (AFR – ASX) controls more than 200 km strike-length of prospective rocks in southern Zambia’s Kariba Valley uranium province where the Company has delineated 11 million pounds of U3O8 on mineral resources at the Chirundu Joint Venture Project. (70% owned – 30% Albion), which supports a 7-8 year mine life.

A Feasibility Study is on hold during resource expansion work seeking a 7-10 year project life to justify > A\$ 100 million capital expenditure. The increase of the resource base could be done via exploration successes at the Chirundu, Kariba Valley or Aldershot joint ventures.

Work programs and budget are approved and underway.

The Project could support a low to medium cost acid heap leach operation delivering an average 1.2 to 1.4 million pounds U3O8 per annum at an average cost below US\$ 30 per pound U3O8.

Potential for near-term uranium production within 2 years is possible within a year of confirming a 10-year project life.

Focusing on its five uranium prospects in Zambia, while results of uranium exploration in Botswana were disappointing to date, African Energy made the discovery of a potential large coal deposit at its Sese Project in northeast Botswana, which could add substantial shareholders value.

The exploration budget for the coal project is approximately US\$ 553,000 as part of a total 2010 exploration budget of US\$ 4 million.

Resource definition drilling will commence in mid-October. The program will comprise approximately 100 diamond drill holes drilled at a 1 km spacing to collect HQ diameter core to be used in further quality test work.

It is expected that all work, including resource estimation, will be completed during the first quarter of 2011.



Raisama Limited (RAI – ASX) completed its Initial IPO in November 2009, raising A\$ 12.5 million and was listed on the ASX on December 2, 2009.

The Company has prospective uranium interests in Australia and the Kyrgyz Republic. These include five projects in Western Australia and one project in South Australia.

The Company's portfolio of assets includes the 100%-owned **Sunday Creek Project**, located within the uranium prospective Paterson Orogen of Western Australia.

It is located approximately 30 kilometres east of the 36,000 tonnes Kintyre Uranium Deposit sold by Rio Tinto to Canada's Cameco and Japan's Mitsubishi for US\$ 500 million in 2008.

Data of radiometric survey will be interpreted and integrated within the existing geological data and historical drilling to define drilling targets in preparation of the tenements.

In March 2010, Raisama announced that it had identified high-grade uranium mineralization at surface in a previously unexplored region at its **Chain Pool Project** in the Gascoyne Province of Western Australia, located 40 kilometres southeast of the Mayingee Uranium Deposit.

Raisama has now identified 19 new uranium targets at the Chain Pool Project area. Chip sampling includes results up to 2,239 ppm (0.224%) U₃O₈. The newly identified uranium targets extend over a distance of more than 15 km in a northwest trend marginal to a major structural boundary. The strike of the targets range in extent from 0.4 km to more than 2.6 km and provide significant exploration potential.

The Phase I drill program is planned to complete 20 RC drill holes for a total of 3,000 metres. The program has an expected duration of 3-4 weeks.

Raisama's **Baltic Bore Project** is located approximately 100 km southeast of the Manyingee Uranium Deposit and 5 km north of the Jailor Bore terrace calcrete uranium deposit in the Gascoyne Province, and covers an area of approximately 180 km².

During the March 2010 quarter, preliminary ground validation for the airborne radiometric anomalies identified significant surface calcrete uranium mineralization up to 657 ppm U₃O₈.

In July 2010, Raisama announced that exploration drilling at Baltic Bore consisting of a total of 56 air core drill holes for a total of 547 metres was completed with samples submitted for chemical assay.

Drilling near surface intersected high-grade uranium within three targets. Results were up to 1 metre grading 1,217 ppm U₃O₈.

At the **Yannarie River Project** area in Gascoyne Province, Raisama identified four main uranium targets ranging in size from 0.25 km² to more than 5.5 km². The strike of the targets range in extent from 1.6 km to more than 6.5 km, providing significant follow up exploration potential.

Tenement grant is expected during the second quarter of 2010.

In the **Kyrgyz Republic**, Raisama owns 75% of the **Kashkasu II Project** (22.5% owned by Monitor Energy, MHL – ASX) located approximately 300 km south of Bishkek, the capital of the Kyrgyz Republic. The Company's two licences cover an area of approximately 50 km². Uranium mineralization was historically mined to the east of the current licence area from 1952 to 1961.

During the first quarter of 2010, assay results were returned from the 4 diamond holes drilled in 2009 at the Kashkasu II Project, which showed high grades of up to 1,651 ppm U₃O₈ over 2 metres.

On August 6, 2010, Raisama announced that multiple, high-grade uranium intersections from a new 7-hole drill program for a total of 826.5 metres have significantly extended the strike length of Kashkasu II. The best intersections from the drilling included 5 m @ 686 ppm U₃O₈ and 3 m @ 982 ppm U₃O₈ from drill hole EKD04 and 4 m @ 522 ppm and 3 m @ 810 ppm U₃O₈ from drill hole EKD05.

The drill results indicate the presence of multiple, high-grade zones of coal and sandstone hosted uranium mineralization at Kashkasu II within a broad area where mineralization has been identified at surface and now confirmed in drilling over a strike extent of more than 1,100 metres.

On September 6, 2010, Raisama announced that the known strike length of the high-grade uranium mineralization at the Kashkasu II project has been significantly extended through a trenching program which identified a number of new uranium occurrences. The surface sample results indicate the presence of multiple, high-grade zones of coal and sandstone hosted uranium mineralization over a strike length of more than 2,000 metres, with some of the new samples more than 750 metres from previously drilled areas.

Raisama has commenced planning for a Phase 3 drilling program that will focus on the area to the northwest where the mineralization remains open along strike.

In April 2010, Raisama signed a Memorandum of Understanding (“MOU”) for a Strategic Alliance with its major shareholder Hebei Mining of China. The MOU offers the Company significant advantages in relation to the conduct of business in China, future co-operation with one of China's most progressive and respected provinces and the potential for making any uranium produced from its Kyrgyz projects.

As at the end of June 2010, Raisama had A\$ 9.2 million cash.