



AUSTRALIAN URANIUM CONFERENCE

Promising numbers for American project

A STRATEGY OF seeking advanced projects in historic uranium fields seems to be paying off for Uran Ltd – particularly at its Grants Ridge joint venture in the US state of New Mexico.

In early June the company announced the latest assay results from channel sampling at its prospective Armijo project had a weighted average grade of around 548 parts per million, some 10% higher than the samples reported during April and May.

The Western Australian-based junior is currently preparing to drill the potential for bulk mining and heap leaching of Grants Ridge's Todilto Limestone, which has been the subject of historic small-to-medium scale high grade uranium operations.

To further this evaluation work, Uran has just entered into an underwriting agreement with Transocean Securities Pty Ltd to raise – through a placement and rights issue – up to \$2 million.

Uran can earn 65% of Grants Ridge from JV partner Uranium Energy Corporation by spending US\$1.5 million,

issuing 3.25 million fully paid ordinary shares to its US partner and completing a feasibility study within five years.

Grants Ridge is located in the Grants Mineral Belt, which was the largest producing area of the energy mineral in the US during the previous production cycle, yielding 155,000 (short) tons of yellowcake.

Attractive numbers

According to Uran managing director Kate Hobbs, mining up until the 1980s targeted numerous high grade uranium bodies near, or at, surface within the flat-lying Todilto Limestone, with the average grade yielded by the operations from the Grants Ridge project area being 0.22% (2,200 ppm) uranium oxide.

The Todilto, Hobbs explained, was generally only exposed in the walls of abandoned small scale trenches and pits and, in order to obtain qualitative information about the limestone, a further 181 vertical channel samples were collected from these pit walls for analysis.

grades and thicknesses elsewhere in the Armijo project.”

In a research investment note put out by Intersuisse Ltd earlier this year, the broker said Grants Ridge was indeed showing its potential to develop into a bulk tonnage, near surface uranium discovery with a vanadium by-product following sample results of more than 2% uranium.

Alkaline leach is an established technology and allows for the recovery of the valuable vanadium by-product.



Kate Hobbs

Timely move

Formed three years ago to initially seek advanced uranium assets in Russia and the former Soviet satellite countries as well as in the US, Uran has been concentrating on the US since entering into the Grants Ridge JV in December 2008.

The strategy was timely given permitting delays had prevented the junior from advancing its Central European projects.

The company also retains six applications over previously drilled uranium deposits in two areas of the Czech Republic, where the combined exploration target is more than 50,000 tonnes of uranium.

The New Mexico JV, which involves 1,984 hectares of real estate, covers 270 registered mining lode claims and some freehold land covering more than nine historic uranium mines.

This mineral belt reportedly produced more than 150,000 tonnes of uranium before 1986.

As it stands the company is looking to undertake a 9,000m drill program starting later this year following the granting of an exploration permit on the F33 and Armijo projects.

The area of the target horizon to be drilled tested on Armijo, where the Todilto Limestone sits within 15m of surface, is about 3 square km. It will initially be drilled on a 120 by 120m grid.

Hobbs said the initial drill program would form the basis for estimation of an initial JORC Code-compliant resource in 2010.

The weighted average of all 330 vertical channel samples taken to date from the pit walls was 514 ppm uranium, with a maximum value of 21,812 ppm over 1.5 metres.

Meanwhile, the weighted average value for assayed vanadium pentoxide was 0.16 (1,600 ppm), with a maximum value of 0.82% over 1.5m. Only samples with values of more than 200 ppm were tested for vanadium.


“The company considers that these samples may not be representative of the average grade or thickness of the target lithology throughout the Armijo project,” Hobbs told the market.

“However, they’re considered to be a very encouraging indication of the potential for economic

On Track Towards Production


Mega Uranium (TSX-MGA) is strongly committed to the growth of the Australian uranium industry.

The development of its Lake Maitland project is on track to be one of West Australia's first producing uranium mines.



The Lake Maitland Project
 Located in the Eastern Goldfields region of Western Australia, the project has 23.7Mlbs of uranium oxide which has an in-ground value of between AUD\$1.5 billion – \$3 billion.

- Experienced management team
- Definitive Feasibility Studies are well advanced with the focus on environmental studies, metallurgical and process testwork
- Joint venture agreement with JAURD and IMEA
- Mining Lease Application lodged
- Negotiation Protocol in place with Native Title Representative Body
- Project on target for production Q4 2011



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