

ANNOUNCEMENT

- Acquisition of two additional uranium deposits in White Canyon District, Blanding, Utah
- Permit process for Daneros Mine, White Canyon District, nears conclusion

New Uranium Deposits Acquired

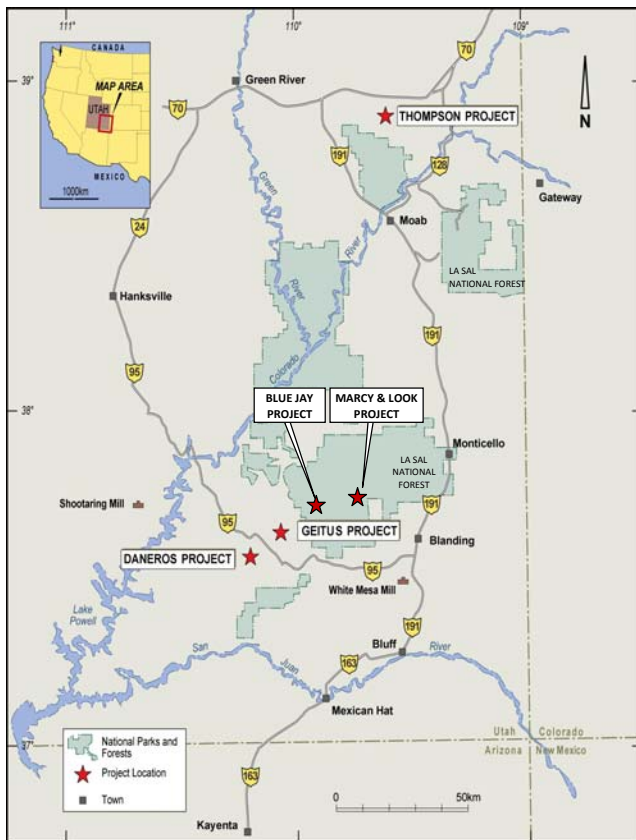
White Canyon Uranium Limited announces the acquisition of two additional uranium deposits in the White Canyon Uranium District. The projects, Blue Jay and Marcy & Look, comprise 58 mining claims totalling 1,080 acres (437 ha). The deposits were located by exploration completed in the 1970s.

The project packages come with a comprehensive database comprising geological and gamma log data for the completed drilling. White Canyon has commenced the exploration permitting process with view to progress the historically defined mineralisation to JORC-compliant resource categories. Drilling operations will start as soon as practicable, initially on the Blue Jay Project.

The new deposits lie in an arc near to, and to the east of the Geitus Project, within 60 km of the operating White Mesa Uranium Mill at Blanding (Denison Mines).

Uranium in the White Canyon District occurs in channels in the Triassic Chinle formation. Production from mines in the district since 1949 exceeded 11 million pounds of U_3O_8 at an average ore grade of 0.24% U_3O_8 .

Consideration



The new projects were acquired from local Blanding prospectors Kevin Shumway and David Lacy for the following cash and share considerations:

Project	Cash consideration (US\$)	Share Consideration *	Mining Claims
Blue Jay	\$200,000	3,200,000 ordinary shares	14
Marcy & Look	\$100,000	1,600,000 ordinary shares	44

* The shares will be issued on 2 January 2009.

Daneros Uranium Deposit Scoping Study and Mine Permit

The mine scoping study for the Daneros Uranium Deposit is progressing satisfactorily. Work has included rotary and diamond drilling, block modelling, mine design and optimisation, and baseline studies of the environmental, archaeological, hydrological and radiation aspects of the project. A mine permit application

has been lodged with the federal Bureau of Land Management and the State of Utah Division of Oil, Gas and Mining. A conventional underground mining operation accessed from the surface by decline is proposed.



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The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by John Hasleby who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Hasleby is Managing Director of the Company and has sufficient experience that is relevant to the styles of mineralization and types of deposit under consideration and to the activities that he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Hasleby consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.