



## **URACAN DISCOVERS SIGNIFICANT ADDITIONAL URANIUM MINERALIZATION ON ITS 100% OWNED PONTBRIAND AND COSTEBELLE CLAIMS**

**December 16, 2011**

**TSX-V: URC**

### **HIGHLIGHTS:**

- **New mineralized zone (Joel zone) 2 kilometres southeast of A4 zone with up to 21 metres of 0.032% U3O8 (316ppm or 0.63 lbs/t) in surface channeling**
- **Extensive areas of uranium mineralization encountered on Pontbriand claims**

**Vancouver, Canada – Urcan Resources Ltd.** (the "Company") (TSX-V: URC) is pleased to announce the discovery of new areas of significant uranium mineralization on the Pontbriand and Costebelle claim groups of its 100% owned North Shore Property in Quebec. This work was part of the summer 2011 exploration program, in the assessment of the airborne radiometric anomalies and lake sediment anomalies that had not previously been explored.

Results include 21 metres of 0.032% U3O8 (316 ppm or 0.63 lbs/t) at the Joel Zone (Costebelle C), 17 metres of 0.039% U3O8 (388 ppm or 0.78 lbs/t) at the Pontbriand B South Zone, 12 metres grading 0.038% U3O8 (384 ppm or 0.77 lbs/t) and 5 metres of 0.030% U3O8 (297ppm or 0.59 lbs/t) at the Pontbriand C Zone, 10 metres grading 0.025% U3O8 (248 ppm or 0.5 lbs/t) at the South JF Zone (Pontbriand A). All sample results are from surface saw channel samples.

The mineralized zones on the Pontbriand and Costebelle claims are generally open in all directions as channel sampling was limited to areas of existing outcrop exposure, with shallow overburden cover overlaying large areas of the targeted airborne anomalies. The main host for uranium mineralization on the property continues to be granite and granitic pegmatite intrusive dykes and sills. Please refer to the discussion below for more details.

### **Pontbriand Claim Groups**

The Pontbriand claim groups (A, B, C and D) reconnaissance prospecting during 2010 identified a number of new target areas defined by channel sampling, including 7 metres of 0.128% U3O8 (1275 ppm or 2.56 lbs/t) (Pontbriand B3 Zone), 4 metres grading 0.115% U3O8 (1153 ppm or 2.31 lbs/t) (Pontbriand A2 Zone) and 2 metres grading 0.265% U3O8 (2652 ppm or 5.30 lbs/t) (Pontbriand A2 Zone).

The Pontbriand Claim Group consists of 4 separate areas; Pontbriand A, B, C, and D. The Pontbriand claims cover a total of approximately 160 square kilometres. The highway passes through the A and D claim groups, with all the Pontbriand claims being located within 19 kilometres of the highway. In addition the main hydro power transmission lines for the area pass through the claims.

Exploration work completed during 2011 consisted of mapping, prospecting and channel sampling of the areas initially discovered in 2010, as well as along strike from the 2010 channels. Additional radiometric anomalies areas were prospected and mapped throughout the claim group.

The Pontbriand A (southend) zone is a series of radiometric anomalies occurring along a strike length of approximately 4.0 kilometres. The South JF zone on the Pontbriand A claims lies along strike, approximately 1.7 kilometres northeast of the Pontbriand A (southend) zone, and may represent a continuation of the mineralized zone seen at the southend zone. It has a strike length of approximately 0.6 kilometres as defined by geological mapping, channel sampling and airborne and ground radiometric surveys. This zone remains open along strike in both directions.

The Pontbriand B South zone has a strike length of approximately 1.3 kilometres as defined by geological mapping, channel sampling and airborne and ground radiometric surveys. This zone has a northeast trend and remains open along strike.

The Pontbriand C claims cover a domal structure which hosts 3 mapped and sampled mineralized pegmatite bodies with strike lengths of 0.8 kilometres, 1.3 kilometres and 2.9 kilometres on the eastern portion of the claim group. The pegmatite bodies occur parallel to the metasedimentary bedding in the domal structure. Additional pegmatite bodies with high radiometric signatures were mapped but not sampled. Additional follow up work is required to further define mineralization on the Pontbriand C claim group.

The Coffin zone has a strike length of approximately 2.7 kilometres as defined by geological mapping, channel sampling and airborne and ground radiometric surveys. The Pontbriand D zone has a strike length of approximately 0.5 kilometres as defined by geological mapping, channel sampling and airborne and ground radiometric surveys. This zone remains open along strike.

Pegmatites hosted by metasediments are the main uranium host on the Pontbriand claims. Geological mapping, channel sampling and ground radiometric surveys were completed to further define the mineralized zones on the Pontbriand claims. A map outlining the various mineralized zones on the Pontbriand claim group will be available shortly on Uracon's website [www.uracon.ca](http://www.uracon.ca).

Highlights of the 2011 channel sampling include 17 metres of 0.039% U3O8 (388 ppm or 0.78 lbs/t) at the Pontbriand B South Zone, 12 metres grading 0.038% U3O8 (384 ppm or 0.77 lbs/t) and 5 metres of 0.030% U3O8 (297ppm or 0.59 lbs/t) at the Pontbriand C Zone, 10 metres grading 0.025% U3O8 (248 ppm or 0.5 lbs/t) at the South JF Zone (Pontbriand A), in saw channel samples. Mineralization is predominantly hosted by granite and pegmatite dykes intruding metasediments and sedimentary gneisses.

Selected intervals from the Pontbriand claims are outlined in the table below:

Claim Group	Location	Channel #	From (m)	To (m)	Length (m)	U3O8 %	U3O8 ppm
Pontbriand A	Pontbriand A zone (south end)	CAF11-003	0	2	2	0.043	432
Pontbriand A	South JF Zone	CAF11-006	2	12	10	0.025	248
Pontbriand A	South JF Zone	CAF11-007	0	4	4	0.025	246
Pontbriand A	South JF Zone	CAF11-008	0	3.5	3.5	0.024	241
Pontbriand A	South JF Zone	CAF11-010	0	7	7	0.041	407
Pontbriand A	South JF Zone	CAF11-011	0	4	4	0.020	198
Pontbriand A	South JF Zone	CAF11-012	0	7	7	0.020	199
Pontbriand A	South JF Zone	CAF11-013	10	14	4	0.045	447
Pontbriand A	South JF Zone	CAF11-015/016	0	13	13	0.030	301
Pontbriand A	South JF Zone	CAF11-017	1	9	8	0.024	238
Pontbriand A	South JF Zone	CAF11-018	0	4	4	0.019	191
Pontbriand B	Pontbriand B south	CAF11-027	0	10	10	0.021	214
Pontbriand B	Pontbriand B south	CAF11-028	0	17	17	0.039	388
Pontbriand C	Pontbriand C Zone	CAF11-032	0	12	12	0.023	232
Pontbriand C	Pontbriand C Zone	CAF11-035	0	3	3	0.063	625
Pontbriand C	Pontbriand C Zone	CAF11-036	0	12	12	0.038	384
Pontbriand C	Pontbriand C Zone	CAF11-040	1	6	5	0.030	297
Pontbriand C	Pontbriand C Zone	CAF11-044	1	3	2	0.043	432
Pontbriand D	Coffin Zone (Pontbriand D)	CAF11-004	0	3	3	0.029	289
Pontbriand D	Pontbriand D zone	CAF11-020	6	8	2	0.026	259
Pontbriand D	Pontbriand D zone	CAF11-022	10	11	1	0.064	644

**Costebelle Claim Group – CC-10 Zone and Joel Zone**

Exploration in the area of the Costebelle A4 and CC-11 zones has outlined additional drill ready targets within a few kilometres of the A4 and CC-11 zones. These new target areas have significantly increased the potential to define a significant uranium resource hosted in multiple target areas in close proximity to one another.

The CC-10 Zone is an airborne radiometric anomaly which had received limited sampling in previous exploration campaigns. This area was mapped and sampled as part of the 2011 exploration program and consists of an 800 metre by 600 metre area of multiple stacked west dipping mineralized pegmatites hosted in metasediments. Mineralization remains open along strike, and the total width of this zone is not known at this time.

CC-10 is located approximately 3 kilometres east of the A4 Zone, and 1.5 kilometres north of the CC-11 zone. These mineralized zones are approximately 68 kilometres east of the Double S, Middle Zone and TJ resource areas containing a total indicated resource of 21.5 million tonnes containing 3.11 million kilograms U3O8 (6.86 million pounds), and a total inferred resource estimate of 140.65 million tonnes containing 16.826 million kilograms U3O8 (37.095 million pounds). Please refer to September 13, 2011 News Release for more information.

Selected results from CC-10 are outlined in the table below:

Claim Group	Location	Channel #	From (m)	To (m)	Length (m)	U3O8 %	U3O8 ppm
Costebelle C	CC10	CAF11-051	6	8	2	0.036	356
Costebelle C	CC10	CAF11-052	0	4	4	0.019	187
Costebelle C	CC10	CAF11-057	0	2	2	0.023	227

Prospecting and channel sampling between the A4, CC-11 and CC-10 zones encountered significant uranium mineralization in a target area called the Joel Zone after the exploration technician who initially discovered the mineralization. Work was focused on ground truthing a number of smaller airborne radiometric anomalies in this area approximately 2 kilometres southeast of the A4 zone and 0.6 kilometres northwest of the CC-11 zone.

As a result of the thick overburden cover in this area, the airborne radiometric response of the mineralized pegmatites is muted. However ground radiometrics, mapping and prospecting indicate that a mineralized trend extends over an approximate 0.8 kilometer strike length in this area. Hand dug trenches encountered significant amounts of uranophane and other uranium oxide minerals on surface exposures. The mineralization is hosted by pegmatite dykes.

Significant results include 2 metres grading 0.247% U3O8 (2470 ppm or 4.94 lbs/t), 21 metres of 0.032% U3O8 (316 ppm or 0.63 lbs/t) and 3 metres grading 0.067% U3O8 (668 ppm or 1.34 lbs/t). All samples are saw cut channel samples. The width of the overall mineralized pegmatite body is not known at this time.

Selected intervals from the Joel Zone are outlined in the table below:

Claim Group	Location	Channel #	From (m)	To (m)	Length (m)	U3O8 %	U3O8 ppm
Costebelle C	Joel Zone	RIN11-001	0	3	3	0.067	668
Costebelle C	Joel Zone	RIN11-002	0	3	3	0.022	220
Costebelle C	Joel Zone	RIN11-002	12	33	21	0.032	316
Costebelle C	Joel Zone	RIN11-004	0	1	1	0.033	325
Costebelle C	Joel Zone	RIN11-004	3	5	2	0.247	2470

**Costebelle B Claim Group – New Mineralized Zone**

Previous exploration programs carried out only limited exploration work on the Costebelle B claim group, located approximately 20 kilometres northwest of the A4 zone and 55 kilometres northeast of the Double S zone. Mapping and prospecting with follow up channel sampling has outlined a new zone (210 Zone) extending over a 400 meter strike length along an azimuth 210 trend. Due to difficult access conditions field crews were not able to fully evaluate the claims during the summer’s work program, however further work is being planned which will include line cutting and multiple landing areas for helicopter supported exploration.

Significant results include 6 metres of 0.057% U3O8 (567 ppm or 1.13 lbs/t), 6 metres grading 0.023% U3O8 (234 ppm or 0.46 lbs/t), and 4 metres grading 0.030% U3O8 (296 ppm or 0.6 lbs/t), in saw channel samples. The width of the overall mineralized pegmatite body is not known at this time.

Selected intervals from the 210 Zone are outlined in the table below:

Claim Group	Location	Channel #	From (m)	To (m)	Length (m)	U3O8 %	U3O8 ppm
Costebelle B	210 Zone	RIN11-006	0	6	6	0.057	567
Costebelle B	210 Zone	RIN11-007	1	7	6	0.023	234
Costebelle B	210 Zone	RIN11-008	1	5	4	0.030	296
Costebelle B	210 Zone	RIN11-009	0	2	2	0.019	195
Costebelle B	210 Zone	RIN11-009	5	14	9	0.019	191

### **Sampling Methodology**

Channel samples were collected across areas of interest marked by geological personnel using rock saws to cut channels in the bedrock. Channel sample intervals were generally 1 metre in length. All sample locations were marked in the field with handheld GPS or Trimble units. The samples were shipped by Company personnel in sealed containers to ALS Chemex Laboratories of Val D'Or, Quebec for analysis using standard analytical techniques for the samples. ALS Chemex is the laboratory facility used for all assays from the North Shore Property program.

Uracan Resources Ltd., is a publicly-listed uranium exploration company, exploring for shallow, bulk tonnage-style uranium mineralization in Canada. Uracan is led by a team of proven exploration and mine entrepreneurs and mine-builders. The information in this news release has been prepared and reviewed by **Marc Simpson, P. Geo.**, the Company's Qualified Person under National Instrument 43-101 standards.

### **Hires New Investor Relations Manager**

Uracan Resources Ltd., is pleased to announce that it has recently hired Ms. Stephanie Batory, MBA, as the Investor Relations Manager for the Company. Ms. Batory is a graduate of the Master of Business Administration program from the University of New Brunswick, with experience in investment banking, corporate finance and investor relations.

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