



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

**October 27, 2010**

**TSX-V: URC**

### **HIGHLIGHTS:**

- **additional channel results of 11 metres of 0.084% U3O8 at C-C-11 zone extends strike length from 300 metres to 800 metres, still open along strike**
- **up to 7 metres of 0.128% (1275 ppm or 2.56 lbs/t) U3O8 encountered on Pontbriand claims, numerous new mineralized areas**

**Vancouver, Canada – Uracan Resources Ltd.** (the "Company") announces that, further to the news release of September 29, 2010, it has discovered additional areas of significant uranium mineralization on the Pontbriand and Costebelle claim group of its 100% owned North Shore Property in Quebec.

Results include 7 metres of 0.128% (1275 ppm or 2.56 lbs/t) U3O8 (Pontbriand B3 Zone), 4 metres grading 0.115% (1153 ppm or 2.31 lbs/t) U3O8 (Pontbriand A2 Zone), 2 metres grading 0.265% (2653 ppm or 5.30 lbs/t) U3O8 (Pontbriand A2 Zone) and 11 metres of 0.084% (835 ppm or 1.67 lbs/t) U3O8 (C-C-11 Zone), in 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) had prospecting and grab sampling completed during the 2006 and 2007 exploration campaigns by Uracan. Additional prospecting and channel sampling of the earlier work programs, as well as ground truthing of historic assessment file showings, was the focus of the 2010 program. Due to time constraints no detailed work was conducted on the various claims. Only limited prospecting work was completed.

The Pontbriand Claim Group consists of 4 separate areas, Pontbriand A, Pontbriand B, Pontbriand C and Pontbriand D. The Pontbriand claims cover a total of 160 square kilometres. The claims have the main highway in the area passing 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 property areas.

As a result of this work numerous highly anomalous areas were outlined in all 4 Pontbriand claim groups. Up to 7 metres of 0.128% (1275 ppm or 2.56 lbs/t) U3O8 (Pontbriand B3 Zone), 4 metres grading 0.115% (1153 ppm or 2.31 lbs/t) U3O8 (Pontbriand A2 Zone) and 2 metres grading 0.265% (2652 ppm or 5.30 lbs/t) U3O8 (Pontbriand A2 Zone) were defined by channel sampling. Mineralization is predominantly hosted by granite and pegmatite dykes intruding metasediments and sedimentary gneisses.

At this time the strike length and overall size potential for the various zones are not known with certainty, however the various channels were located within airborne radiometric anomalies ranging from 0.9 kilometres by 0.25 kilometres to 2.7 kilometres by 0.4 kilometres in size. Additional follow up work is planned to define the various mineralized areas for a future drill program on these claims.

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

Claim Group	Trench	Length (m)	Average U3O8 %	Average U3O8 ppm
Pontbriand A	PONTA1-T2	6	0.044	444
Pontbriand A	PONTA2-T1A	2	0.265	2653
Pontbriand A	PONTA2-T1B	4	0.115	1153
Pontbriand A	PONTA2-T3A	2	0.039	392
Pontbriand A	PONTA2-T3C	6	0.031	311
Pontbriand B	PONT B2-T1A	6	0.020	201
Pontbriand B	PONT B2-T1B	9	0.023	228
Pontbriand B	PONTB3-T1	7	0.128	1275
Pontbriand B	PONTB4-T1	6	0.030	305
Pontbriand C	PONTC3-T1A	9	0.021	207
Pontbriand C	PONTC3-T1B	6	0.031	314
Pontbriand C	PONTC3-T1B	3	0.047	466
Pontbriand C	PONTC4-T1	7	0.063	632
Pontbriand D	PONTD6-T1	6	0.045	450

### **Costebelle C Claim Group - C-C-11 Zone**

Zone C-C-11 is an airborne radiometric anomaly not sampled in previous exploration campaigns. This area was mapped and sampled as part of the 2010 exploration program. Initial channel sampling (see September 29, 2010 news release) was completed over a 300 metre strike length of mineralized granites and pegmatites. Additional channel sampling was completed on the south-western area of the airborne anomaly, with **11 metres of 0.084% (835 ppm or 1.67 lbs/t)** encountered in this area of the anomaly. This sampling extends mineralization to an estimated total length of 800 metres. These results also show that potential for significant uranium mineralization exists along the entire 1200 metre (1.2 km) length of the airborne radiometric anomaly. Mineralization remains open along strike, and the total width of this zone is not known at this time. This area will be drill tested as part of the Fall 2010 drill program.

C-C-11 is located approximately 3 kilometres east of the A4 Zone, and approximately 68 kilometres east of the Double S, Middle Zone and TJ resource areas (combined total of 162.153 Mt at an average grade of 0.012% U3O8 containing a total of 43.952 Mlbs U3O8 – see May 10, 2010 News Release for more information).

Selected results from C-C-11 are outlined in the table below:

Sector	Trench	Length (m)	Average U3O8 %	Average U3O8 ppm
C-C-11	CC-11-4	11	0.084	835

### **Costebelle A Claim Group – New Mineralized Zones**

In addition to work covered in the September 29, 2010 news release, additional exploration was conducted to assess the potential of a number of radiometric anomalies that were not previously explored.

This exploration led to discoveries at the C-A-7, C-A-8, and C-A-12 zones, as well as additional mineralized areas at the C-A-9 zone. These discoveries are located in areas throughout the 189 square kilometre Costebelle A claim group. The Costebelle A claim group is part of the approximately 1,000 square kilometre North Shore Property. Highlights include 3 metres of 0.041% (410 ppm or 0.82 lbs/t) U3O8 at the C-A-12 zone, 10 metres of 0.025% (248 ppm or 0.5 lbs/t) U3O8 and 7 metres of 0.03% (295 ppm or 0.6 lbs/t) U3O8 at the C-A-7 zone, as well as 8 metres of 0.019% (187 ppm or 0.38 lbs/t) U3O8 at the C-A-8 zone.

Extension of a channel at the C-A-9 zone to a total of 12 metres containing 0.025% (248 ppm or 0.5 lbs/t) U3O8 from the original 3 metres containing 0.018% (184 ppm or 0.36 lbs/t) U3O8 is also highlighted. The C-A-7, C-A-8, and C-A-12 Zones are located approximately 7 to 13 kilometres west and southwest of the A4 Zone.

Selected intervals from the C-A-7, C-A-8, C-A-9 and C-A-12 Zones are outlined in the table below:

Sector	Trench	Length (m)	Average U3O8 %	Average U3O8 ppm	Comment
C-A-12	C-A-12-1	1	0.033	330	
C-A-12	C-A-12-2	4	0.026	263	
C-A-12	C-A-12-4	3	0.041	410	
C-A-12	C-A-12-6	3	0.039	387	
C-A-7	C-A-7-10	2	0.030	300	
C-A-7	C-A-7-11	9	0.017	170	
C-A-7	C-A-7-12a	5	0.020	197	
C-A-7	C-A-7-13	14	0.020	195.1	
C-A-7	C-A-7-15	7	0.030	295	
C-A-7	C-A-7-16	8	0.017	170	
C-A-7	C-A-7-17	10	0.025	248	
C-A-8	C-A-8 New1	9	0.015	148	
C-A-8	C-A-8 New2	8	0.019	187	
C-A-9	C-A-9-2	3	0.018	184	2009 Channel
C-A-9	C-A-9-2 South Extension	9	0.027	269	2010 Extension
C-A-9	C-A-9-2	12	0.025	248	Combined 2009 and 2010 Channels

### **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 lengths while grab samples were also collected at specific locations by geological field personnel. All sample locations were marked in the field with hand held GPS 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.

### **For further information please contact:**

**Gregg J. Sedun**

Chairman & CEO  
604-682-5580

**David Fry**

Corporate Development  
1-877-508-U308 (8308)

**Marc Simpson**

Exploration Manager  
604-682-5580

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