



URACAN UPGRADES DOUBLE S RESOURCE IN QUEBEC

September 13, 2011

TSX – V: URC

Highlights

- **Upgraded North Shore Resource includes:**
 - **Total Indicated Resource at Double S Zone: 6.858 million lbs U3O8**
 - **Total Inferred Resource at Double S, TJ and Middle Zones combined: 37.095 million lbs U3O8**

Vancouver, Canada – UraCan Resources Ltd. (the “Company” or “UraCan”) (TSXV:URC) is pleased to announce an updated National Instrument (NI) 43-101 compliant indicated and inferred resource estimation has been completed on the Double S Zone, located within UraCan’s 100% owned 1,000 Km² North Shore Uranium Property in Quebec.

The previous resource estimation at the Double S Zone was entirely in the inferred category. The updated Double S mineralized Zone hosts an indicated resource of 21.5 million tonnes at an average grade of 0.014% U₃O₈ containing 3.11 million kilograms (6.86 million pounds) of U₃O₈ and an inferred resource of 59.96 million tonnes at an average grade of 0.012% U₃O₈ containing 7.41 million kilograms (16.33 million pounds) of U₃O₈ using a 0.010% cutoff.

The combined overall resource at the Double S, TJ and Middle Zones contains a total indicated resource of 21.5 million tonnes at an average grade of 0.014% U₃O₈ containing 3.11 million kilograms (6.86 million pounds) of U₃O₈ using a 0.010% cutoff, and a total inferred resource estimate of 140.65 million tonnes at a weighted average grade of 0.012% U₃O₈ containing 16.826 million kilograms (37.095 million pounds) of uranium using a 0.010% cutoff. A map outlining the resource estimate areas is available at http://www.uranium.ca/i/maps/URC_north-shore-property.jpg

In the 2010 resource estimation report (see May 10th, 2010 news release for more details), SRK Consulting Canada Inc. (“SRK”) was of the opinion that the current level of drilling was sufficient to classify some of the mineral resource as Indicated. However additional metallurgical test work needed to be carried out before this was done. UraCan retained SGS Canada Inc. (“SGS”) to carry out preliminary metallurgical test work in order to upgrade the resource category, with the report of the test work being received earlier this year. Recoveries noted in the SGS report ranged up to 91% uranium. The SGS report is available as an appendix to the SRK updated mineral resource statement.

The Double S Zone still remains open in all directions. Only the Double S Zone has had economic parameters applied to the resource with a Whittle shell. See below for more details. Details of the updated Double S resource estimate are as follows:

Table 1: SRK-I Double S Indicated and Inferred Resource Table within Whittle Pit shell

Classification	Cutoff (%)	Grade	Tonnage (tonnes)	Grade U3O8 (%)	U3O8 Contained Metal (lbs)
Indicated	0.01		21,504,000	0.014	6,858,000
Inferred	0.01		59,960,000	0.012	16,328,000

Reported at a cut-off grade of 0.01 percent within a Whittle pit shell optimized using a U₃O₈ price of US\$75 per pound of U₃O₈, metallurgical recovery of ninety percent, and overall mining and processing costs of CN\$14.50. All numbers are rounded to reflect relative accuracy of the estimates.

Table 2: Total Combined Double S, MZ and TJ Indicated and Inferred Resource Table

Resource Type	Zone	Cutoff Grade U ₃ O ₈ %	Average Grade U ₃ O ₈ %	Tonnes (MT)	Contained U ₃ O ₈ (M Kg)	Contained U ₃ O ₈ (Mlbs)	Resource Estimated By
Indicated Total	Double S	0.010	0.014	21.304	3.111	6.858	SRK
Inferred	Double S	0.010	0.012	59.960	7.406	16.328	SRK
Inferred	Middle Zone	0.009	0.012	52.027	6.209	13.688	M Jutras
Inferred	TJ Zone	0.009	0.011	28.662	3.211	7.079	M Jutras
Inferred Weighted Total			0.012	140.649	16.826	37.095	

All tabulated data has been rounded to three decimal places for U₃O₈ grades. The Qualified Person for the Double S resource estimation is Marek Nowak P. Eng. The Qualified Person for the Middle Zone and TJ Zone resource estimation is Marc Jutras M.A.Sc., P. Eng.

Double S Mineral Resource Estimate Method

The geologic model and grade block model was prepared by SRK Consulting (Canada) Inc. of Vancouver, British Columbia using Data Mine Studio 2® and GEMS® software. The resource estimation was reclassified and verified by Marek Nowak P. Eng., who is an independent Qualified Person for the purposes of NI 43-101. Details on the methodology and parameters used for the resource estimation can be found in the technical report which will be filed on SEDAR.

SRK used a Whittle pit optimizer to evaluate the reasonableness of economic extraction of each resource block based on certain optimization parameters selected from comparable projects. The optimization parameters include: ore mining and processing costs of CDN\$14.50 per processed tonne, overall pit slope angles of 45 degrees, metallurgical recovery of 90%, and appropriate dilution and offsite costs and royalties. A uranium price of US\$75 per pound of uranium oxide was considered. The reader is cautioned that the results from the conceptual pit optimization work are used solely for the purpose of reporting Mineral Resources that have "reasonable prospects" for economic extraction by an open pit and do not represent an attempt to estimate mineral reserves.

NI 43-101 Compliant Report

The Company will file a NI 43-101 compliant technical report covering the Indicated and Inferred Resource Estimate completed on the Double S Zone on SEDAR within 45 days of this news release.

Quality Control and Quality Assurance

The database used to create the model was based on the drill hole database provided by the Company. A total of 94 drill holes were used for the model of Double S. The assay database was checked using the original assay certificates from the laboratory. Any minor errors encountered in the database were flagged and fixed as they were encountered.

ALS Chemex is the laboratory facility used for all assays from the North Shore Property program. Samples are weighed and catalogued before sample preparation. The samples are crushed to 70% less than 2mm, split and then pulverized to 85% of the sample being less than 75 µm. All samples are assayed using ICP-MS with analysis completed for 47 elements.

A QA/QC program was implemented as part of the sampling procedure for the drill program. At least one standard, one blank and one duplicate were inserted per group of 40 samples sent to the laboratory. The laboratory also has an extensive in house QA/QC system as part of their quality control system.

Resource Classification

Mineral Resources have been categorized using the classification of the Canadian Institute of Mining, Metallurgy and Petroleum (December 2005), with the relevant definitions provided below. This classification is the basis for Technical Reports by Qualified Persons in Canada, and the classification is

virtually the same as that of the JORC code (Australia) (note: SME does not recognize the inferred category) SAMREC (South Africa) and that of the European Union.

The confidence in the geological and grade continuity is sufficient to support an Indicated classification for some portions of the Double S Deposit. An Indicated classification was assigned to blocks estimated during (i) the first interpolation pass and (ii) a having more than 50% chance of being above the cut-off grade as defined by an inverse distance model on indicators with a grade threshold of 0.01% U₃O₈. All other estimated blocks were classified into the Inferred category.

An Inferred Mineral Resource can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

Due to the uncertainty which may attach to Inferred Mineral Resources, it cannot be assumed that all or part of an Inferred Mineral Resource will be upgraded to an Indicated or Measured Mineral Resource as a result of continued exploration. Confidence in the estimate is insufficient to allow the meaningful appreciation of technical and economic parameters or to enable an evaluation of economic viability worthy of public disclosure.

Mineral Resources are not mineral reserves and do not have demonstrated economic viability. The Mineral Resources may be affected by subsequent assessment of mining, environmental, processing, permitting, taxation, socio-economic and other factors. There is insufficient information in this early stage of study to assess the extent to which the Mineral Resources will be affected by these factors that are more suitably assessed in a conceptual study.

Mineral reserves can only be estimated based on the results of an economic evaluation as part of a preliminary feasibility study or feasibility study. As such, no mineral reserves have been estimated by SRK as part of the present assignment. There is no certainty that all or any part of the Mineral Resources will be converted into a mineral reserve.

Summer 2011 Drilling Program

Uracan's summer 2011 drill program is continuing to drill test the Costebelle A4 target area which has been the focus of drilling during 2010 and winter 2011. The program is following up results from the earlier programs as well as test for strike and dip extensions to mineralization in the A4 area.

Highlights from previous drilling at the A4 zone include 59.65 meters of 0.026% U₃O₈ (265ppm or 0.53 lbs/t) in CA4-10-22, 43.5 meters of 0.019% U₃O₈ (193 ppm or 0.38 lbs/t) in CA4-11-42, 17.6 meters of 0.025% U₃O₈ (252 ppm or 0.5 lbs/t) in CA4-11-38, 13.55 meters of 0.038% U₃O₈ (0.76 lbs/t) U₃O₈ in CA4-10-15, and 15 meters of 0.034% U₃O₈ (337 ppm or 0.68 lbs/t) in CA4-11-46.

About Quebec, Canada

Quebec has been voted in the top ten of the *Top Mining Jurisdictions In the World* since 2001 by the Fraser Institute Mining Survey. www.fraserinstitute.org.

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.

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