



## UEX CORPORATION

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### NEWS RELEASE

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### **UEX Announces Minimum \$16.5 Million Budget for 2009**

UEX Corporation ("UEX") is pleased to announce plans for its 2009 approved annual and seasonal budgets. Exploration and development budgets planned for 2009 total approximately \$16.5 million, of which UEX will be responsible for approximately \$10.9 million. An \$11 million annual budget has been approved for the Western Athabasca Joint Venture with AREVA Resources Canada Inc. ("AREVA") of which UEX will be responsible for its 49% interest of approximately \$5.4 million. The \$5.5 million Budget for its 100% owned Hidden Bay Project ("Hidden Bay") is a winter program and additional drilling is planned for the 2009 summer/fall field season pending results from the winter program. UEX plans to use three drills at Hidden Bay during the winter/spring 2009 season; in addition AREVA will use three drills at the Shea Creek Uranium Deposit ("Shea Creek"). UEX's current cash position is approximately \$25.0 million, and is well-financed to carry out its 2009 programs.

#### **Western Athabasca Projects**

Shea Creek hosts the Kianna, Anne, and Colette Deposits and is one of ten 49%-owned Western Athabasca Uranium Projects joint-ventured with AREVA, the operator. UEX has approved total 2009 expenditures of approximately \$11.0 million proposed by AREVA. The 2009 expenditures include an exploration budget of \$9.0 million of which \$8.25 million has been allocated to Shea Creek and a development budget for Shea Creek of \$2.0 million.

The 2008 Summer/Fall Drilling Program is currently in progress at Shea Creek, and will continue until the end of November 2008. Results from this program will be reported when they are received and drilling completed.

The 2009 diamond drilling program at Shea Creek will utilize at least three drills and is planned to begin in early 2009. The objectives of the drilling program will be as follows:

- To perform infill and delineation drilling on the Kianna and Anne Deposits to extend known mineralization at the unconformity and within the basement.
- To drill along the prospective corridor between the Anne and Kianna deposits; such a program could lead to the discovery of additional zones of high-grade mineralization such as the SHE-123 and SHE-118 series drill holes which would require a further detailed follow up.

In addition to the drilling program at Shea Creek, a geophysical survey, consisting of DC Resistivity or ground EM, is planned for the Alexandra Project.

UEX will provide an update to shareholders on the development programs at Shea Creek for 2008 and the budgeted plans for 2009 in a separate news release before year end.

## **Hidden Bay Project: Summer/Fall 2008 Progress**

Substantial steps to advance the Horseshoe, Raven and West Bear Deposits on UEX's 100%-owned Hidden Bay Project have been made during 2008. A major milestone was the release of the recent National Instrument 43-101 ("N.I. 43-101") compliant resource estimate for the Horseshoe Deposit, which comprises 3.578 million tonnes grading 0.237%  $U_3O_8$  in the Indicated category containing 18.693 million pounds of  $U_3O_8$ , and 0.311 million tonnes grading 0.208%  $U_3O_8$  in the Inferred category containing 1.426 million pounds of  $U_3O_8$  at a cut-off of 0.05%  $U_3O_8$ . Supporting N.I. 43-101 technical reports to this resource estimate are now filed on Sedar and dated November 12 and 14, 2008, and are available for public viewing. The Horseshoe resource represents a significant increase in the overall size and grade of the Horseshoe Deposit from resources historically estimated by Gulf Resources Canada ("Gulf"). A resource estimate for the adjacent Raven Deposit is currently underway, and is anticipated to be received in four to five weeks.

A feasibility study for the West Bear Deposit is expected to be received by the end of 2008, which will allow UEX to assess potential mining options of this very shallow, high-grade resource. The current N.I. 43-101 resource estimate for the West Bear Deposit is 73,800 tonnes grading 1.004%  $U_3O_8$  containing 1.614 million pounds of  $U_3O_8$  using a cut-off grade of 0.15%  $U_3O_8$ .

Drilling on the Hidden Bay Project is ongoing. Currently, three drills are defining mineralization in the Horseshoe Northeast area, a portion of the Horseshoe Deposit that lies beyond, but separate from, the area of the recent resource calculation. With additional drilling which is planned in this area in early 2009, a resource estimate for this area is expected for the second quarter of 2009, which will add to the global Horseshoe resource. Recent drilling also comprised several infill holes in the Horseshoe S2 zone, which contains most of the inferred resource from the recent resource calculation. Drilling in the S2 zone has successfully traced mineralization there, and the results should allow upgrading of much of this zone to Indicated status. To date, approximately 70 drill holes (20,000 metres) have been completed in the Horseshoe and Raven areas over the summer and fall of 2008. This program included definition drilling in the Raven Deposit which will be incorporated in the upcoming resource, infill drilling in the Horseshoe Deposit, and ongoing step-out and definition drilling in the Horseshoe Northeast area. Drilling is anticipated to continue to the end of November 2008 and again resume in January 2009.

Further exploration drilling in the summer of 2008 in 39 holes (10,800 metres) was completed on the Tent-Seal and Rabbit West target areas. This helicopter-supported drilling followed up areas of previously identified alteration and mineralization along the two fault systems, and several airborne radiometric anomalies.

Geochemical results of these drilling programs have not yet been received and will be reported when all data is compiled.

### **2009 Proposed Exploration and Feasibility Programs**

Given the success of the drilling in the Horseshoe and Raven areas over the last few years, UEX intends to continue an aggressive drilling program during the winter and spring of 2009 to further expand the known resources and explore for new, nearby mineralized zones. Three diamond drills will test the local area with a program of approximately 25,000 metres, budgeted at \$5.5 million. This program is intended to define additional areas of mineralization that were historically intersected by Gulf, and to drill other adjacent geological and geophysical targets. In order of priority, the drilling target areas include:

a) further definition of the extent and grade of historically intercepted mineralization in the Horseshoe Northeast target area which lies outside of the current Horseshoe resource estimate as a continuation of the current drilling program; b) testing open areas of Raven mineralization on both the west and east sides of that deposit; c) testing the area between the two deposits for additional mineralization; and d) testing the down dip extent of the alteration zones that host the Raven and Horseshoe Deposits. Several geotechnical drill holes are also planned. Additional outlying exploration targets include areas where clay alteration intersected by historical drilling is coincident with resistivity and gravity anomalies which suggest the presence of new zones of clay alteration that may be associated with uranium mineralization. Drilling here will also test structural targets where projections of known faults may extend across potentially favorable lithologies that are host to mineralization.

The Horseshoe Northeast drilling, and step-out drilling to the east and west of Raven in open areas should allow expansion of the Horseshoe Resource base, for which updated N.I. 43-101 resource estimates are planned to be calculated in 2009. Additional infill drilling, if necessary to upgrade parts of the Raven deposit to Indicated status, follow-up to the winter drill holes, and testing of one or more property scale targets could be undertaken in the summer of 2009, depending on the results of the winter program and the Raven resource estimate.

With the high proportion of the Horseshoe resource base in the Indicated category, and a N.I. 43-101 compliant resource expected shortly for the Raven Deposit, scoping level evaluations which are currently underway internally will be advanced to feasibility level in 2009 to assess the potential economics and viability of mining these deposits. These studies will examine the most efficient methods and procedures for extracting the defined uranium resource, including the most appropriate road access and support infrastructure, mining methods, operating plans, cash flow analyses and projections in order to determine net present values and internal rates of return for Horseshoe at various uranium price levels. Budgets and timelines for feasibility work would be determined in consultation with the lead engineering contractor. In anticipation of a potential future feasibility study on the Horseshoe and Raven Deposits, environmental baseline studies and geotechnical studies were commenced by Golder Associates Ltd., of Saskatoon, Saskatchewan during 2006 and 2007 and are ongoing. Metallurgical studies are also continuing, with initial results from three metallurgical drill holes indicating that the uranium in both deposits is easily leached under relatively mild atmospheric leach conditions, producing leach extractions of 98%, and lacking any significant concentrations of deleterious elements (see the November 12, 2008 technical report filed on Sedar for further details).

To view maps and other information regarding UEX's exploration projects, please access UEX's website at [www.uex-corporation.com](http://www.uex-corporation.com) under "Projects".

## **About UEX**

UEX is a Canadian uranium exploration and development company actively involved in 19 uranium projects, including seven that are 100% owned and operated by UEX, one joint venture with AREVA that is operated by UEX, ten joint-ventured with AREVA and one under option from Japan-Canada Uranium Company, Limited, which are operated by AREVA. The 19 projects, totaling 374,513 hectares (925,442 acres), are located in the eastern, western and northern perimeters of the Athabasca Basin, the world's richest uranium belt, which accounts for approximately 23% of the global primary uranium production. UEX is currently developing several uranium deposits in the Athabasca Basin which include the Kianna, Anne and Colette Deposits at its Shea Creek Project, a joint venture with AREVA in the western

Athabasca Basin, and the West Bear, Raven and Horseshoe Deposits located at its 100% owned Hidden Bay Project in the eastern Athabasca Basin.

**ON BEHALF OF THE BOARD OF DIRECTORS OF UEX CORPORATION**

Stephen H. Sorensen,  
President & C.E.O.

***Forward-Looking Statements***

This news release contains “forward-looking statements” that are based on UEX’s current expectations, estimates, forecasts and projections. These forward-looking statements include statements regarding UEX’s outlook for our future operations, plans and timing for the commencement or advancement of exploration activities on our properties, and other expectations, intention and plans that are not historical fact. The words “estimates”, “projects”, “expects”, “intends”, “believes”, “plans”, or their negatives or other comparable words and phrases are intended to identify forward-looking statements. Such forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. Many of these factors are beyond the control of UEX. Consequently, all forward-looking statements made in this news release are qualified by this cautionary statement and there can be no assurance that actual results or developments anticipated by UEX will be realized. For the reasons set forth above, investors should not place undue reliance on such forward-looking statements. UEX disclaims any intention or obligation to update or revise forward-looking information, whether as a result of new information, future events or otherwise.