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## **NEWS RELEASE**

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### **UEX Reports Results of Summer 2009 Exploration on the Hidden Bay Project: SP-203 Intersects 1.527% U<sub>3</sub>O<sub>8</sub> Over 1.5 Metres at Telephone Lake. UEX Plans \$1.6 Million Winter 2010 Exploration Program at Hidden Bay and the Commencement of Scoping Studies on its Horseshoe and Raven Deposits.**

UEX Corporation (“UEX”) is pleased to announce the results of the summer 2009 drilling program and its plans for 2010 exploration and scoping studies on its 100%-owned Hidden Bay Project (“Hidden Bay”). Hidden Bay is located in the productive eastern Athabasca uranium district and contains the Horseshoe, Raven and West Bear Deposits.

“Hidden Bay hosts one of the most significant uranium resources in the Athabasca Basin due primarily to our successful drilling programs in recent years at the Horseshoe and Raven Deposits,” said Graham Thody, President and CEO of UEX. “We will now advance these deposits through scoping studies to be conducted during 2010. In addition, we are very encouraged by the drilling results from our 2009 exploration program at Telephone Lake and will continue to explore this promising area, which lies immediately to the south of the McClean Lake Mine.”

#### **Results from the Hidden Bay Summer 2009 Drilling Program**

The summer 2009 drilling program at Hidden Bay was comprised of 49 drill holes totaling 15,071 metres. Significant mineralization was found in several holes. The program was completed in September 2009 and was carried out in three areas:

- Horseshoe and Raven - designed to test targets peripheral to the Horseshoe and Raven Deposits for possible extensions of mineralization and to assess nearby geophysical and geological targets;
- Telephone Lake - designed to follow up previous drilling results and to further explore the Telephone Lake trend. This trend is a major fault zone which contains previous mineralized drill intercepts and extends northward into the Sue Deposits on the adjacent McClean Lake Mine property, operated by AREVA Resources Canada Inc. (“AREVA”); and
- Vixen Lake South - designed to test a geophysical anomaly coincident with intense clay alteration in historical drill holes.

Maps of the 2009 drilling at Hidden Bay are available for viewing in the “News Releases” section of UEX’s website at [www.uex-corporation.com](http://www.uex-corporation.com).

#### **Drilling in the Area of the Horseshoe and Raven Deposits**

During the winter of 2009, UEX successfully expanded the Horseshoe and Raven Deposits through a stepout drilling program. In July 2009, UEX reported National Instrument 43-101 compliant resource estimates for the Horseshoe and Raven Deposits as follows:

- At a cut-off grade of 0.05% U<sub>3</sub>O<sub>8</sub> total resources are:

Category	Tonnes	U <sub>3</sub> O <sub>8</sub> (%)	U <sub>3</sub> O <sub>8</sub> (lbs)
Indicated	10,293,600	0.155	35,044,000
Inferred	1,109,200	0.111	2,715,000

- At a lower cut-off grade of 0.02% U<sub>3</sub>O<sub>8</sub> total resources are:

Category	Tonnes	U <sub>3</sub> O <sub>8</sub> (%)	U <sub>3</sub> O <sub>8</sub> (lbs)
Indicated	16,688,500	0.108	39,971,000
Inferred	1,982,500	0.079	3,470,000

During the summer of 2009, 23 drill holes totaling 7,103 metres were completed in the Horseshoe, Raven and adjacent areas. Thirteen of these holes tested possible extensions of some mineralized zones to assess the potential for resource expansion and for down dip continuation of mineralization. Results of principal intercepts in the Horseshoe and Raven area are reported in Table 1. Drilling intercepts with a grade-thickness product of greater than 0.05 and grades of greater than 0.05% U<sub>3</sub>O<sub>8</sub> include the following:

- 0.076% U<sub>3</sub>O<sub>8</sub> over 4.0 metres, and 0.140% U<sub>3</sub>O<sub>8</sub> over 2.1 metres in hole HU-361 (Horseshoe northeast);
- 0.087% U<sub>3</sub>O<sub>8</sub> over 1.0 metre in hole RU-219 (pod on south side of Raven);
- 0.107% U<sub>3</sub>O<sub>8</sub> over 4.4 metres in hole RU-225 (Raven west); and
- 0.120% U<sub>3</sub>O<sub>8</sub> over 4.6 metres in hole RU-226 (Raven west).

These intercepts slightly expand the strike length of the mineralized zones and would result in a small increase in estimated resources. Other drill holes bounded mineralization down dip.

The remaining drill holes tested geophysical, structural and known alteration targets within one kilometre of the Horseshoe and Raven Deposits. While none of these holes intersected any significant mineralization, areas of intense alteration which could potentially host mineralization were intersected, identifying future targets. Notably, in one deep hole (HU-363) which tested the Dragon Lake Fault on the east side of the Horseshoe Deposit, extensive and intense alteration extends downward for at least 600 metres into basement rocks, forming a potential feeder zone for mineralization. Given the intensity of alteration along this corridor, future drilling will target areas to the south where the Dragon Lake Fault intersects graphitic gneiss.

### Telephone Lake

During the summer of 2009, 7,968 metres of drilling in 26 drill holes distributed over a four-kilometre strike length were completed in the Telephone Lake area ("Telephone"). Telephone is located immediately south of the Sue and McClean Lake Deposits and has the potential for the discovery of Sue C, D and E or Eagle Point style basement-hosted mineralization along the Telephone Lake Fault, or where fault systems intersect the sub-Athabasca unconformity.

Drilling in 2009 targeted areas of known mineralization near the unconformity that included previous intercepts of 0.20% U<sub>3</sub>O<sub>8</sub> over 6.8 metres in 2006 drill hole SP-166 and 4.52% U<sub>3</sub>O<sub>8</sub> over 0.5 metres in 2005 drill hole SP-156.

Results of principal intercepts obtained during 2009 at Telephone are reported in Table 1. Drilling intercepts with a grade-thickness product of greater than 0.05 and grades of greater than 0.05% U<sub>3</sub>O<sub>8</sub> include the following:

- 0.110% U<sub>3</sub>O<sub>8</sub> over 0.5 metres in hole SP-191;
- 0.100% U<sub>3</sub>O<sub>8</sub> over 2.0 metres, and 0.401% U<sub>3</sub>O<sub>8</sub> over 1.9 metres in hole SP-193;
- 0.277% U<sub>3</sub>O<sub>8</sub> over 0.3 metres in hole SP-194;
- 0.066% U<sub>3</sub>O<sub>8</sub> over 1.1 metres, and 0.055% U<sub>3</sub>O<sub>8</sub> over 1.0 metres in hole SP-196;
- 0.105% U<sub>3</sub>O<sub>8</sub> over 1.1 metres, and 0.074% U<sub>3</sub>O<sub>8</sub> over 2.8 metres in hole SP-201;
- 1.527% U<sub>3</sub>O<sub>8</sub> over 1.5 metres in hole SP-203;
- 0.076% U<sub>3</sub>O<sub>8</sub> over 1.6 metres in hole SP-207;
- 0.062% U<sub>3</sub>O<sub>8</sub> over 1.0 metres in hole SP-209;
- 0.120% U<sub>3</sub>O<sub>8</sub> over 0.7 metres in hole SP-210;
- 0.370% U<sub>3</sub>O<sub>8</sub> over 6.5 metres, including 1.131% U<sub>3</sub>O<sub>8</sub> over 2.0 metres, in hole SP-211;
- 0.360% U<sub>3</sub>O<sub>8</sub> over 1.0 metres in hole SP-212; and
- 0.140% U<sub>3</sub>O<sub>8</sub> over 0.4 metres, and 0.125% U<sub>3</sub>O<sub>8</sub> over 2.7 metres in hole SP-213.

True thickness of mineralization has not yet been determined. Intercepts in drill holes SP-201, 203, 210, 211 and 212 are unconformity-hosted mineralization, while all other intercepts are basement-hosted.

The Telephone drilling has highlighted three anomalously mineralized areas that contain a combination of unconformity-hosted and basement-hosted mineralization. Additional mineralized drilling intercepts are also present periodically along the four-kilometre length of the Telephone Lake trend and extend southward into the Shamus Lake area.

As mineralization is open in many areas, UEX will focus its 2010 winter exploration program to follow up on these results. It is anticipated that this drilling program will commence in mid-January 2010.

### **Vixen Lake South**

In the Vixen Lake South area, which lies 1.5 kilometres northwest of the Raven Deposit, drilling tested the core of a well-defined, east-northeast trending gravity-resistivity low where historical drilling in shallow holes had identified broad areas of clay alteration. Alteration style, geophysical signature and the east-northeast trend of the alteration zones are similar to the signature of alteration associated with the Horseshoe and Raven Deposits. Four drill holes (VU-001 to VU-004, 1,697 metres total) were drilled; no significant mineralization was intersected.

### **Future Scoping Studies for Horseshoe and Raven**

With a high proportion of the Horseshoe and Raven resource base in the Indicated category, UEX will be initiating a scoping level evaluation of the potential economic viability of mining the deposits, which could then be advanced to feasibility level if results are encouraging. 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 the deposits at various uranium price levels. In support of such work, environmental baseline studies have been underway since 2006, previously reported metallurgical studies have been completed and initial geotechnical studies have been performed. UEX intends to identify a lead contractor for the scoping and potential feasibility level work in the near future.

### **2010 Winter Program at Hidden Bay**

A budget of \$1.6 million has been approved for UEX's upcoming 2010 winter program on the Hidden Bay property. This winter exploration program will be comprised of the following:

- Telephone Lake - a 20-hole, 6,000-metre diamond drilling program to test potential down dip continuation of known mineralization, to test along strike for extensions of unconformity mineralization, and to test gaps where widely spaced sections have favourable geology for basement-hosted mineralization; and
- Shamus grid - a 120 line-kilometre geophysical survey consisting of D.C. resistivity and gravity. This geophysical survey will extend from the southwestern parts of the Telephone Lake area southwesterly to the Hidden Bay property boundary and will test for areas of alteration potentially associated with uranium mineralization. Areas of anomalous alteration and low-grade mineralization have previously been intersected in several drill holes on the Shamus grid and mineralization occurs to the southwest on adjacent properties along the same trend.

In addition to these activities, property-wide compilation and evaluation will continue utilizing previous exploration data.

Maps and other information regarding UEX's exploration projects are available for viewing on UEX's website at [www.uex-corporation.com](http://www.uex-corporation.com) under "Projects".

### **Sample Handling and Quality Assurance**

Geochemical samples are selected with the aid of a hand-held scintillometer to identify areas of above-background radioactivity. Samples are split, with half remaining in the core box, and the remainder shipped to Saskatchewan Research Council Geoanalytical Laboratories ("SRC") where they are crushed and ground to minus 106 microns. The pulp is digested in aqua regia leach and analyzed by ICP for uranium and other elements. In addition to the geochemical analyses, down-hole probe radiometric results obtained for all drill holes on completion of drilling provide an independent check of the geochemical data. UEX systematically inserts sample blanks and standards of several grades into the sample stream. In addition, repeat analyses are routinely analyzed, laboratory standards are inserted by SRC, and selected sample pulps have been submitted to other independent laboratories for check analyses to assess sample repeatability and accuracy of the SRC results.

Technical information in this news release has been reviewed and approved by R. Sierd Eriks, P.Geo., UEX's Vice President of Exploration, and David Rhys, P.Geo., a consultant to UEX, who are Qualified Persons as defined by National Instrument 43-101.

### **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 JCU (Canada) Exploration Company, Limited, which are operated by AREVA. The 19 projects, totaling 353,134 hectares (872,613 acres), are located in the eastern, western and northern perimeters of the Athabasca Basin, the world's richest uranium belt, which accounts for approximately 21% 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 49%-owned Shea Creek Uranium Project, a joint venture with AREVA in the western Athabasca Basin, and the Horseshoe, Raven and West Bear Deposits located at its 100%-owned Hidden Bay Project in the eastern Athabasca Basin.

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

Graham C. Thody  
President and CEO

### ***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 based on certain factors and assumptions and 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. Important factors that could cause actual results to differ materially from UEX’s expectations include uncertainties relating to interpretation of drill results and geology, continuity and grade of deposits, fluctuations in uranium prices and currency exchange rates, and other risks and uncertainties disclosed in UEX’s Annual Information Form and other filings with the securities commission on SEDAR. 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. Except as required by applicable law, UEX disclaims any intention or obligation to update or revise forward-looking information, whether as a result of new information, future events or otherwise.

**Table 1**

**Summer 2009 Hidden Bay Drilling Program**

**Intersections from Drill Holes HU-359 to HU-367, RU-217 to RU-226, SP-191 to SP-216 and VU-001 to VU-004.**  
 Only intervals with composite grades greater than 0.02% U<sub>3</sub>O<sub>8</sub> and a grade-thickness product greater than 0.02 are listed below. All analyses were performed by Saskatchewan Research Council by ICP.

Hole	Location	Depth of Hole (metres)	From (metres)	To (metres)	Length (metres)	Avg. Grade (% U <sub>3</sub> O <sub>8</sub> )
HU-359	Horseshoe	300.0	No intervals >0.02% U <sub>3</sub> O <sub>8</sub> with grade-thickness >0.02			
HU-360	Horseshoe	300.0	No intervals >0.02% U <sub>3</sub> O <sub>8</sub> with grade-thickness >0.02			
HU-361	Horseshoe	270.0	71.0	72.0	1.0	0.032
			120.0	124.0	4.0	0.076
			133.0	136.0	3.0	0.107
			<i>including</i> 133.4	135.5	2.1	0.140
			220.5	223.0	2.5	0.034
HU-362	Horseshoe	291.0	No intervals >0.02% U <sub>3</sub> O <sub>8</sub> with grade-thickness >0.02			
HU-363	Horseshoe	639.0	No intervals >0.02% U <sub>3</sub> O <sub>8</sub> with grade-thickness >0.02			
HU-364	Horseshoe	534.0	No intervals >0.02% U <sub>3</sub> O <sub>8</sub> with grade-thickness >0.02			
HU-365	Horseshoe	399.0	271.0	272.0	1.0	0.023
HU-366	Horseshoe	324.0	No intervals >0.02% U <sub>3</sub> O <sub>8</sub> with grade-thickness >0.02			
HU-367	Horseshoe	489.0	No intervals >0.02% U <sub>3</sub> O <sub>8</sub> with grade-thickness >0.02			
RU-217	Raven	81.0	No intervals >0.02% U <sub>3</sub> O <sub>8</sub> with grade-thickness >0.02			
RU-218	Raven	72.0	No intervals >0.02% U <sub>3</sub> O <sub>8</sub> with grade-thickness >0.02			
RU-219	Raven	81.0	45.0	48.0	3.0	0.035
			<i>including</i> 46.0	47.0	1.0	0.087
RU-220	Raven	72.0	No intervals >0.02% U <sub>3</sub> O <sub>8</sub> with grade-thickness >0.02			
RU-221	Raven	81.0	No intervals >0.02% U <sub>3</sub> O <sub>8</sub> with grade-thickness >0.02			
RU-222	Raven	72.0	No intervals >0.02% U <sub>3</sub> O <sub>8</sub> with grade-thickness >0.02			
RU-223	Raven	411.0	No intervals >0.02% U <sub>3</sub> O <sub>8</sub> with grade-thickness >0.02			
RU-224	Raven	549.0	No intervals >0.02% U <sub>3</sub> O <sub>8</sub> with grade-thickness >0.02			
RU-225	Raven	222.0	179.5	180.5	1.0	0.061
			183.4	192.6	9.2	0.062
			<i>including</i> 187.2	191.6	4.4	0.107
RU-226	Raven	219.0	112.0	113.0	1.0	0.040
			138.4	143.0	4.6	0.120
SP-191	Telephone	349.0	230.0	230.8	0.8	0.030
			295.0	297.0	2.0	0.042
			<i>including</i> 295.5	296.0	0.5	0.110
			325.0	328.0	3.0	0.035
SP-192	Telephone	411.0	No intervals >0.02% U <sub>3</sub> O <sub>8</sub> with grade-thickness >0.02			
SP-193	Telephone	369.0	226.0	229.0	3.0	0.020
			236.0	238.0	2.0	0.100
			252.0	253.9	1.9	0.401
SP-194	Telephone	359.0	223.7	224.5	0.8	0.128
			<i>including</i> 223.7	224.0	0.3	0.277
			270.0	272.5	2.5	0.023
SP-195	Telephone	321.0	101.3	102.0	0.7	0.025
			291.0	292.0	1.0	0.035
SP-196	Telephone	345.0	258.0	259.0	1.0	0.021
			314.3	315.4	1.1	0.066
			325.0	326.0	1.0	0.055
			334.0	336.0	2.0	0.024
SP-197	Telephone	398.0	No intervals >0.02% U <sub>3</sub> O <sub>8</sub> with grade-thickness >0.02			
SP-198	Telephone	352.0	310.0	314.0	4.0	0.020
			324.0	325.0	1.0	0.022

Hole	Location	Depth of Hole (metres)	From (metres)	To (metres)	Length (metres)	Avg. Grade (% U <sub>3</sub> O <sub>8</sub> )
SP-199	Telephone	386.0	298.0	298.5	0.5	0.054
			361.0	362.0	1.0	0.027
			363.0	364.0	1.0	0.021
			376.0	378.0	2.0	0.026
SP-200	Telephone	300.0	272.0	273.0	1.0	0.020
SP-201	Telephone	300.0	165.0	166.1	1.1	0.105
			230.5	234.0	3.5	0.026
			239.5	242.3	2.8	0.074
			266.0	267.0	1.0	0.031
SP-202	Telephone	372.0	No intervals >0.02% U <sub>3</sub> O <sub>8</sub> with grade-thickness >0.02			
SP-203	Telephone	270.0	122.0	123.5	1.5	1.527
			252.5	253.0	0.5	0.045
SP-204	Telephone	351.0	266.5	267.5	1.0	0.044
SP-205	Telephone	343.0	237.0	239.5	2.5	0.030
			248.0	250.0	2.0	0.035
SP-206	Telephone	351.0	178.0	178.5	0.5	0.045
SP-207	Telephone	351.0	279.4	281.0	1.6	0.076
SP-208	Telephone	300.0	121.0	122.6	1.6	0.039
			137.5	138.0	0.5	0.077
			142.5	143.5	1.0	0.021
			180.5	181.5	1.0	0.035
SP-209	Telephone	348.0	139.0	140.0	1.0	0.020
			188.6	189.6	1.0	0.062
			200.6	202.6	2.0	0.021
SP-210	Telephone	171.0 <i>including</i>	99.0	103.0	4.0	0.035
			101.3	102.0	0.7	0.120
SP-211	Telephone	180.0 <i>including</i> <i>including</i>	135.0	145.0	10.0	0.245
			137.5	144.0	6.5	0.370
			137.5	139.5	2.0	1.131
SP-212	Telephone	180.0	140.0	141.0	1.0	0.360
SP-213	Telephone	330.0 <i>including</i>  <i>including</i>	250.95	252.0	1.05	0.064
			250.95	251.35	0.4	0.140
			259.3	265.0	5.7	0.068
			259.3	262.0	2.7	0.125
			295.0	296.0	1.0	0.027
SP-214	Telephone	180.0	136.0	137.0	1.0	0.024
SP-215	Telephone	171.0	No intervals >0.02% U <sub>3</sub> O <sub>8</sub> with grade-thickness >0.02			
SP-216	Telephone	180.0 <i>including</i>	142.0	145.0	3.0	0.028
			144.0	144.5	0.5	0.090
			155.6	156.6	1.0	0.022
VU-001	Vixen	391.0	No intervals >0.02% U <sub>3</sub> O <sub>8</sub> with grade-thickness >0.02			
VU-002	Vixen	366.0	No intervals >0.02% U <sub>3</sub> O <sub>8</sub> with grade-thickness >0.02			
VU-003	Vixen	549.0	405.0	405.5	0.5	0.043
VU-004	Vixen	391.0	No intervals >0.02% U <sub>3</sub> O <sub>8</sub> with grade-thickness >0.02			