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URSA Major Minerals develops exploration program at past-producing Agnew Lake Uranium Mine, Sudbury area, Ontario

URSA Major Minerals Incorporated (URSA Major) is pleased to report that the company has developed a program to evaluate exploration and development opportunities at the past-producing Agnew Lake Uranium Mine. This past-producing mine is located in Hyman Township, Sudbury Mining Division, 40 km west of Sudbury, Ontario. The Agnew Lake Uranium Mine was operated by Kerr Addison Mines Ltd. between 1977 and early 1983 and produced a total of 1.88 million lbs (855,000 kg) of U_3O_8 from approximately 3.1 million tons (2.8 million tonnes) of ore. The underground mine was developed to over 980 m depth. Uranium was produced from the in-situ leaching of broken ore in stopes, as well as from heap-leaching surface stockpiles.

URSA Major acquired a 100% interest in 34 claim units (1,360 acres) that cover the Agnew Lake Mine site by staking in 2002. The company recently staked an additional 35 claim units (1,400 acres) to extend the property position which now covers over 6 km of the favourable uranium-mineralized horizon. At Agnew Lake, the uranium mineralization is contained within a pyritic quartz-pebble conglomerate that unconformably overlies granitic rocks and is similar to mineralization in the Elliot Lake area to the west of the property.

In view of the current demand for uranium, URSA Major recently retained Watts, Griffis and McOuat Limited (WGM) to evaluate the exploration potential at the past-producing uranium mine. The WGM report recommends a program of mapping and diamond drilling to delineate the uranium-bearing sedimentary rocks. WGM has also recommended metallurgical testing to evaluate in-situ leaching of the broken mineralized material. The phase 1 exploration program is budgeted at \$250,000. The report is compliant with National Instrument 43-101 (NI 43-101) and was prepared under the direction of WGM Vice-President, Al Workman, P.Geo., as independent qualified person. URSA Major will file the NI43-101 technical report on SEDAR within 30 days.

The last reserve for the Agnew Lake Mine (Kerr Addison Mines Limited, Annual Report 1982) reports a "mineable proven and probable reserve with dilution in place, broken in stopes and on a surface leach pile estimated at 8,976,000 tons (8,143,000 t) containing approximately 7,161,000 lb U_3O_8 " (0.8 lb U_3O_8 /ton or 0.4 kg U_3O_8 /t). Dilution was at zero grade and the resulting grade of diluted reserves was approximately half that of undiluted mineralization. WGM determined that the proven and probable reserves were estimated on a stope by stope basis and WGM is of the opinion that the proven and probable reserves were estimated by Kerr Addison Mines Limited in accordance with practices which would comply with current best practices standards. However, URSA Major and WGM were unable to confirm drill hole log data, assays and other technical information on the mine. WGM further reports that this reserve should be reduced by 2,221,000 tons (2,130,000 t) of broken in-situ ore and 1,449,000 tons (1,315,000 t) of surface stockpiled ore that was leached during 1982. These reserves are historic estimates that predate NI43-101, are not compliant with current definitions, have not been verified by the company and consequently should not be relied on by investors.

URSA Major has retained WGM to prepare a valuation of the past-producing Agnew Lake Uranium Mine. URSA Major will evaluate opportunities to explore and develop the property including potential partnerships or sale. The Company intends to remain primarily focused on nickel exploration and on the development of the Shakespeare nickel-copper-platinum metal deposit, where the company has recently initiated a full feasibility study on an open-pit mining operation.

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