Virginia Uranium releases NI 43-101 compliant technical report for Coles Hill deposits


Historical "reserve" estimates (non-NI 43-101 compliant) were completed for Marline Uranium Corp. by Pincock, Allen and Holt (PAH) for the South Coles Hill deposit and the North Coles Hill deposit in August 1982. At that time, PAH estimated that uranium in the South Coles Hill deposit varied from 21.3 million pounds U₃O₈ to about 55.2 million pounds U₃O₈ as the cutoff grade was decreased from 0.150% U₃O₈ to 0.025% U₃O₈. Uranium at the North Coles Hill deposit varied from 3.96 million pounds U₃O₈ to about 54.5 million pounds U₃O₈ as the cutoff grade was decreased from 0.150% U₃O₈ to 0.025% U₃O₈.

In December 2007, Virginia Uranium started a core and rotary percussion drilling program at Coles Hill. By May 2008, the company had completed three core holes totaling 4,500 feet, seven rotary percussion holes totaling 8,295 feet, and the re-assaying of about 60 feet of historical core. The recent NI 43-101 report estimate is based on the verified, historical data base and this new drilling.

Under the new NI 43-101 resource estimate, the South Coles Hill deposit varies from 23.1 million pounds U₃O₈ at 0.225% grade to 71.9 million pounds U₃O₈ at 0.070% grade as the cutoff grade decreases from 0.150% U₃O₈ to 0.025% U₃O₈. At the North Coles Hill deposit, the resource estimate varies from 4.46 million pounds U₃O₈ at 0.262% grade to 47.1 million pounds U₃O₈ at 0.050% grade as the cutoff grade decreases from 0.150% U₃O₈ to 0.025% U₃O₈. The South and North Coles Hill deposits combine for 119.0 million pounds U₃O₈ at a cutoff grade of 0.025% U₃O₈ compared to the 1982 estimate of 109.7 million pounds U₃O₈ at the same cutoff grade of 0.025% U₃O₈. Utilizing the much higher cutoff grade of 0.150% U₃O₈, the recent combined Coles Hill resource estimate totals 27.56 million pounds U₃O₈ compared to the 1982 estimate of 25.26 million pounds U₃O₈. In reviewing the data from the Coles Hill property, Behre Dolbear and PAC believe the potential exists to delineate additional resources for the North and South Coles Hill deposits and that expansion should be pursued. Additionally, it is suggested that the level of confidence and reliability of earlier work is high enough that further confirmation drilling and verification data is not important at this stage of development for the property. The deposit comes to surface and is amenable to open pit mining.

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