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## UCR to Drill Newly Identified Potential for Resource Expansion

For Immediate Release

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TSX.V:UCR

[Uranium City Resources Inc – UCR:TSX.V, A0F7F5:Berlin] (“UCR” or the “Company”) today announced that it has identified targets for immediate drilling, based on compiling historical data associated with the past producing mines in the Uranium City Mining District (UCMD). The analysis, along with evidence obtained from the Company’s ongoing exploration campaign, has enabled the Company to identify the properties in its portfolio that offer the most promising development opportunities.

The two targets identified, known as the “East” and “West” targets, are located immediately on, or adjacent to the St. Louis Fault and/or Martin-Tazin Unconformity. The “East” target is situated parallel to the St. Louis Fault and on-strike to the east from the former producing Verna Mine. The “West” target is in the immediate vicinity of the former producing Eagle Mine and west of the Fay mine. Together the Fay, Ace, and Verna mines produced more than 45 million pounds of uranium, which represents the majority of uranium production in the UCMD.

Bob Kasner, CEO of UCR said, “UCR’s unique advantage among junior uranium companies is the presence of several past producing mines within properties, but this has also increased the demands on our geological team because of the need to prioritize among an abundance of potential targets. To focus our efforts, it was imperative to analyze the vast amount of historical data available. From our analysis of historical data, we have decided to concentrate on two targets that possess historical reserves/resources and also significant untested exploration potential.

### “East” Target

Identified within the “East” target is an area in the footwall of the St. Louis Fault approximately 1.5 km east of the former Verna Mine. This area was mined as a small open pit in 1981 and plans were made to drive a ramp and start mining from underground. Preparations to start the ramp and an in-house feasibility were completed by Eldorado Nuclear Limited, but due to the suspension of mining operations in 1982, only part of the pit was mined and the ramp was not started. This area has only been drilled to a depth of approximately 100-110 feet below surface and remains open to the east and west, and also at depth.

Historical drilling returned values in the vicinity of 0.30% U<sub>3</sub>O<sub>8</sub> over a core length of 19 feet.<sup>(1)</sup>

According to the mine closure report, surface mining was a total of 8,567 tons of 0.29% U<sub>3</sub>O<sub>8</sub> containing 50,700 pounds of uranium.<sup>(2)</sup> **Remaining resources to the 100 foot level are 47,800 tons of 0.285% containing 267,500 pounds uranium.**<sup>(2)</sup>

<sup>(1)</sup> Eldorado Nuclear Ltd, Mining Division. Internal Report, 20-July-81 by Murray Strachan

<sup>(2)</sup> Eldorado Nuclear Ltd, Mining Division. Mine Closing Report, by D.M. Ward

### “West” Target

The “West” Target is in the vicinity of the past producing Eagle Mine. In this area 5 small to medium sized open pits were mined and a shaft was sunk to approximately the 300-foot level. The head frame burned before any underground mining took place.

The present historical resource (inferred) for these open pits is<sup>(3)</sup>:

Zone	Tons	Grade (% U <sub>3</sub> O <sub>8</sub> )	Pounds U <sub>3</sub> O <sub>8</sub>
02	4,700	0.51%	47,900
12	7,000	0.36%	50,400
22	1,500	0.25%	7,500
32	10,000	0.23%	46,200
42	8,600	0.24%	41,300
Total	31,800		193,000

UCR believes that the potential to expand these resources is very good and will be the goal of the drilling campaign to commence. A drill is planned to move to the "East" target around mid to late of September.

<sup>(3)</sup> Eldorado Nuclear Ltd, Mining Division. Mine Closing Report, by D.M. Ward

<sup>(1)</sup>, <sup>(2)</sup> and <sup>(3)</sup> This work was completed prior to NI 43-101 being implemented. UCR has not verified the historical resource/reserve values, and is not treating it as a current mineral reserve/resource estimate and should not be unduly relied upon.

Mr. John Cook, P.Eng is the qualified person for the technical aspects of this news release.

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#### **About Uranium City Resources:**

Uranium City Resources has a number of 100% owned uranium projects within the Uranium City Mining District, an area with over 30 years of past mining and nearly 70 million pounds of uranium production. Since 2005, the Company has spent over C\$3 million exploring its properties and has outlined numerous uranium targets. Recent drill programs have confirmed the presence of uranium mineralization and drilling is to continue throughout 2006. UCR is well financed and has approximately C\$6.0 million in the treasury (as at 30-Apr-06).

#### **Forward looking statements:**

*This news release contains certain forward-looking statements. These forward-looking statements are subject to a variety of risks and uncertainties beyond UCR's ability to control or predict, which could cause actual events or results to differ materially from those anticipated in such forward-looking statements. Although UCR believes that the assumptions inherent in the forward-looking statements are reasonable, undue reliance should not be placed on these forward-looking statements.*

**[The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.](#)**

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