

65,000-meter Uranium exploration drilling program in Mongolia

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International Uranium Corporation ("IUC") is pleased to announce the start of a 65,000 meter drilling campaign in Mongolia.

IUC President, Ron Hochstein, notes that, "Our 2006 exploration drilling program in Mongolia is our largest drilling volume since the mid 1990's, when our Gurvan Saihan Joint Venture drilled over 50,000 meters in each of two successive years. We have an excellent inventory of targets ready for initial drill testing, and based on our preliminary reconnaissance work, a number of these targets are highly prospective."

IUC has been involved in Mongolia uranium exploration since the formation of the Gurvan Saihan Joint Venture in 1994. Work in the 1990's included drilling of nearly 150,000 meters of exploratory holes and resource delineation and confirmation holes at the Haraat and Hairhan deposits. These two projects have also been tested for In Situ Leach mining amenability, with very encouraging results. Now IUC is gearing its efforts to increase its resource base in Mongolia, with the objective to develop commercial In Situ Leach uranium production in Mongolia.

Presently IUC controls a total of 2,313,000 hectares in 25 exploration licenses through the Gurvan Saihan Joint Venture (70% IUC share) and in 100% controlled properties. In addition, IUC entered into a earn-in option agreement with Erdene Gold in April 2005 (65% interest for 4-year expenditure of C\$6 million), which affords IUC access to an additional 550,500 hectares of exploration ground. Hochstein further notes, "Our uranium exploration holdings in Mongolia are without equal, which reflects our belief that this is great prospecting country for sediment-hosted uranium deposits. Our 2006 drilling program is founded on extensive regional work completed over the past two years and in the 1990's. Furthermore, we now can incorporate the work completed by Erdene Gold as it assembled its uranium exploration holdings. This ambitious program relies heavily on Mongolian drilling and geophysical logging contractors, which are doing a great job of stepping up their capabilities to support our programs."

In 2005, 34,000 meters of drilling was completed in four Gurvan Saihan Joint Venture license areas. In two of these areas, the Gurvan Saihan Depression and the Urt Tsav area, important uranium mineralization systems were discovered. In the Gurvan Saihan area, zones up to 10 meters thick, with uranium grades ranging from 0.03% to 0.25% U₃O₈ were encountered in oxidation-reduction systems. At present, data analysis and compilation is being finalized for follow up drilling to determine if the mineralized systems can be extended, with acceptable grades and thicknesses. In the Urt Tsav area, a mineralized paleo-channel system was discovered. This system also hosts oxidation-reduction mineralization; in this area, only initial reconnaissance drilling was completed in 2005, additional drilling, including drilling below 150 meters, is clearly warranted in Urt Tsav to test the limits of the oxidation-reduction environment.

Down hole geophysical probes are used to measure natural gamma radiation encountered in drilling. These probes are calibrated against known standards; the resulting uranium grade is an indirect measure of uranium content and is referred to as "equivalent U₃O₈" or "eU₃O₈."

IUC's Director, Project Development, Terry Wetz, P.E., a Qualified Person pursuant to NI 43-101, has reviewed the contents and technical information contained in this news release.

IUC is engaged in uranium exploration and production. It holds significant uranium deposits in Mongolia and uranium and vanadium deposits in the U.S. and a fully permitted 2,000 ton per day uranium/vanadium mill near Blanding, Utah (one of only two operating uranium mills in the U.S.), as well as uranium exploration properties in the Athabasca Region in Canada. The Company also processes and recycles uranium-bearing waste materials as an environmentally superior alternative to direct disposal. In addition, the Company is a significant shareholder in Fortress Minerals Corp., a public company engaged in precious and base metal exploration in Mongolia and Russia.

Statements contained in this news release, which are not historical facts are forward-looking statements that involve risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Factors that could cause such differences, without limiting the generality of the following, include: risks inherent in exploration activities; volatility and sensitivity to market prices for uranium and vanadium; the impact of the sales volume of uranium and vanadium; competition; reliance on income from processing uranium-bearing waste materials; the impact of change in foreign currency exchange rates and interest rates; imprecision in resource and reserve estimates; environmental and safety risks including increased regulatory burdens; changes to reclamation requirements; unexpected geological or hydrological conditions; political risks arising from operating in certain developing countries; a possible deterioration in political support for nuclear energy; changes in government regulations and policies, including trade laws and policies; demand for nuclear power; replacement of production and failure to obtain necessary permits and approvals from government authorities; weather and other natural phenomena; ability to maintain and further improve positive labour relations; operating performance of the facilities; success of planned development projects; and other development and operating risks. Although IUC believes that the assumptions inherent in the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this release. IUC disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

United States investors are advised that while the term resources is recognized by Canadian regulations, SEC does not recognize that term. Investors are cautioned not to assume that all or any part of mineral deposits in this category will ever be converted into reserves.