



ANNOUNCEMENT

White Canyon Uranium has Daneros Mine Permit approved – Operations Commence

- **Final approvals received from Bureau of Land Management in Utah. Mining operations can commence.**
- **Mine decline development will continue over the next 100 days, in preparation for ore shipping from September 2009.**
- **White Canyon currently negotiating with Denison Mines on terms for treatment of ore at its White Mesa uranium mill at Blanding, 100 km from Daneros.**

The Directors of White Canyon Uranium Limited (ASX: **WCU** – “White Canyon”) are pleased to announce that final approvals have been received from the Bureau of Land Management and the State of Utah for the commencement of mining operations at the Company’s new Daneros Mine, 100 kilometres from Blanding, Utah.

Site preparations will commence immediately, with the construction of surface facilities and emplacement of the mine’s decline portals. The Daneros mine will have twin parallel decline access, one for mine access, the other for ventilation and services. Decline construction and mine development will continue over approximately 100 days, ready for ore shipping in September 2009.

White Canyon is rightly pleased to have progressed the Daneros Deposit from development drilling of a virgin deposit to the issue of mine permit and commencement of the decline within 15 months of the Company’s IPO and its ASX-listing in March 2008.

This is a significant achievement given that this is the first new uranium mine permitted in Utah in thirty years, and is a tribute to the dedication and persistence of our US-based support team, led by director Kelly Shumway.

The Company is currently in negotiation with Denison Mines Corp. (TSX: DML; AMEX: DNN) regarding terms for treatment of ore at the White Mesa uranium mill at Blanding, 100 km from the Daneros Mine. Further details will be announced once finalized.

SUMMARY:

Issued shares

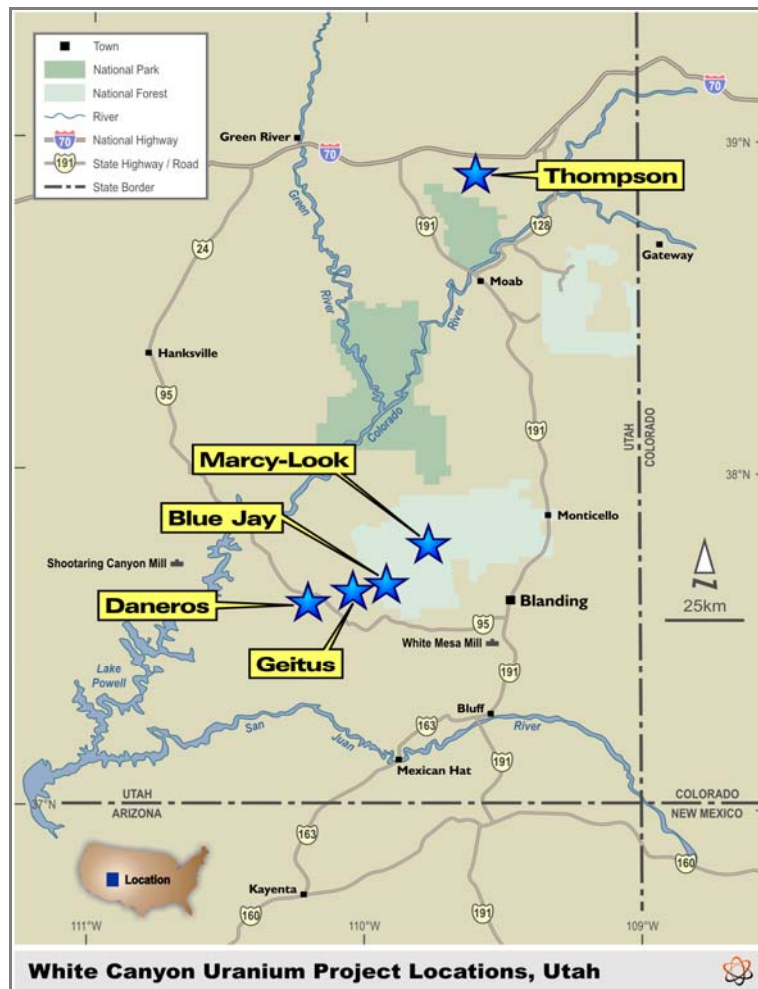
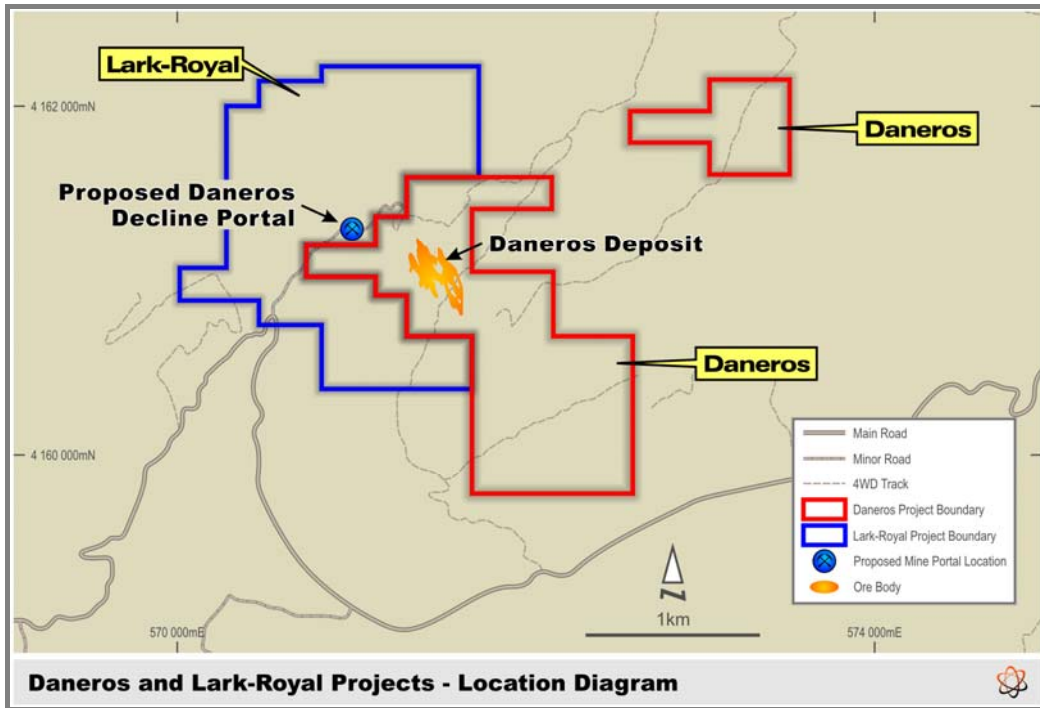
Tradeable (**WCU**): 94,376,665 12 month price range: \$0.06 - \$0.42

Escrowed until Mar 2010: 88,330,000

Options (warrants) **WCUO** (Jan 2010): 91,566,512 12 month price range: \$0.01 - \$0.15

Latest prices: \$0.365 (**WCU**) \$0.135 (**WCUO**)

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About White Canyon Uranium Limited

White Canyon Uranium is a near-term uranium producer in 2009 at the Daneros Mine near Blanding, Utah.

The company has no debt and cash resources to take the 100% owned Daneros Project to production.

The company has a U₃O₈ upside of 10 million pounds within 3 years, and is well placed to establish a 10 year mine production schedule. WCU has experienced and successful management and workforce with Utah-based uranium mining experience. (See www.whitecanyonuranium.com.au for further details on the company.)



John Hasleby
Managing Director
27 May 2009

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