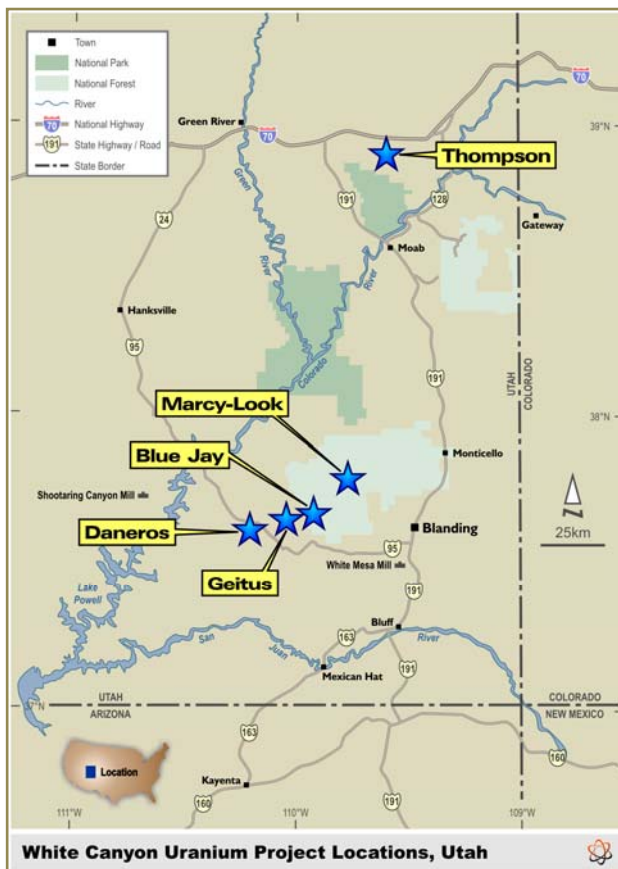


QUARTERLY ACTIVITIES REPORT

For the Three Months ended 31 March 2009

HIGHLIGHTS

- The Bureau of Land Management's draft Environmental Assessment for the proposed Daneros uranium mine was completed with a Finding of No Significant Impact.
- Draft Environmental Assessment opened to 30-day public comment period, which was successfully completed. Execution of final Environmental Assessment is expected on or about 20 May 2009, allowing mining operations to commence immediately.
- Preparations are proceeding for early start to mining.
- White Canyon has no debt and is confident that underground development and mine production will be achieved within its current cash reserves, which at the end of the quarter stood at \$5.4 million.
- Purchase of Blue Jay, Marcy and Look projects was completed on 2 January.



White Canyon Uranium Limited (WCU) holds 100% of the advanced Thompson, Daneros, Blue Jay, Marcy, Look and Geitus Projects in south-east Utah, totalling over 8,000 acres of mining claims and mineral leases. The projects contain historically defined high grade uranium deposits.

DANEROS DEPOSIT, UTAH USA

The Daneros uranium deposit is a "brownfields" virgin exploration discovery in close proximity to major past producing uranium mines of the Red Canyon mining area, near Blanding, Utah. The deposit is 100 km by established roads from the White Mesa Uranium Mill (Denison Mines) at Blanding.

Conclusion of BLM Environmental Assessment for Daneros Uranium Mine

The US federal Bureau of Land Management's ("BLM") draft Environmental Assessment for the proposed Daneros Uranium Mine was concluded with a Finding of No Significant Impact.

White Canyon Uranium Limited

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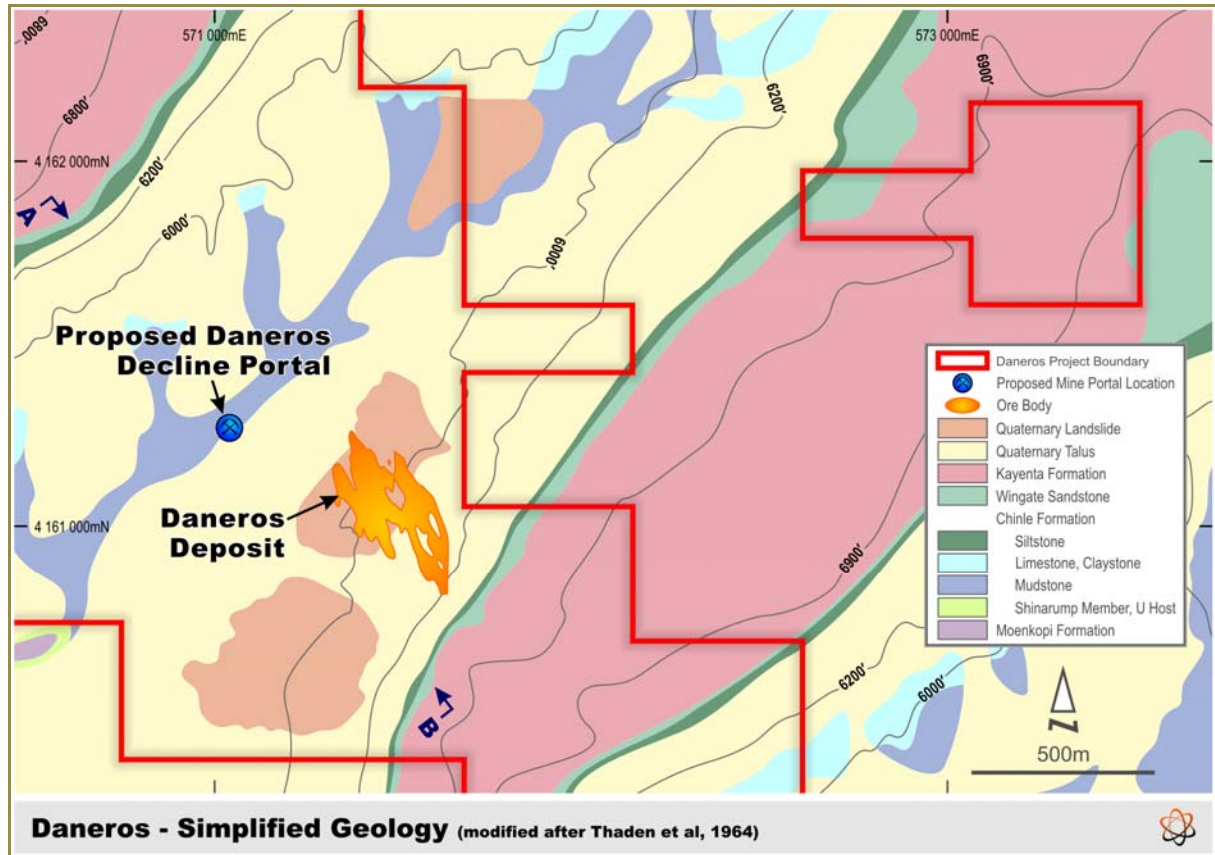
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Based on the analysis of potential environmental impacts in the Environmental Assessment, the BLM determined that with required and proposed mitigating measures, the Plan of Operations does not result in significant impacts on the human environment. An Environmental Impact Statement was not required. The BLM elected to invite public comments on the Environmental Assessment report.



The comment period proceeded satisfactorily and concluded on 12 April 2009. A final consultative meeting occurred between the BLM and the Company on 22 April, where issues raised during the comment period were addressed and resolved. Additional data has been supplied to support the EA and the BLM has indicated that the finalization of the Environmental Assessment can be expected on **or about 20 May**. Underground development is expected to commence immediately. Mining and shipment of ore is expected approx. 100 days thereafter.

Negotiations on terms for ore treatment are advanced with Denison Mines, owner of the White Mesa uranium mill, 100km away at Blanding, Utah.

White Canyon is confident that underground development and mine production will be achieved within its current cash reserves, which at the end of the quarter stood at \$5.4 million.

Mining Preparations

Preparations are proceeding for an early start to mine development. Negotiation of final terms of the mining contract is advanced. The proposed contractor is ready to mobilize mine crew and equipment to commence surface works upon issue of the mine permit by the BLM.

EXPLORATION

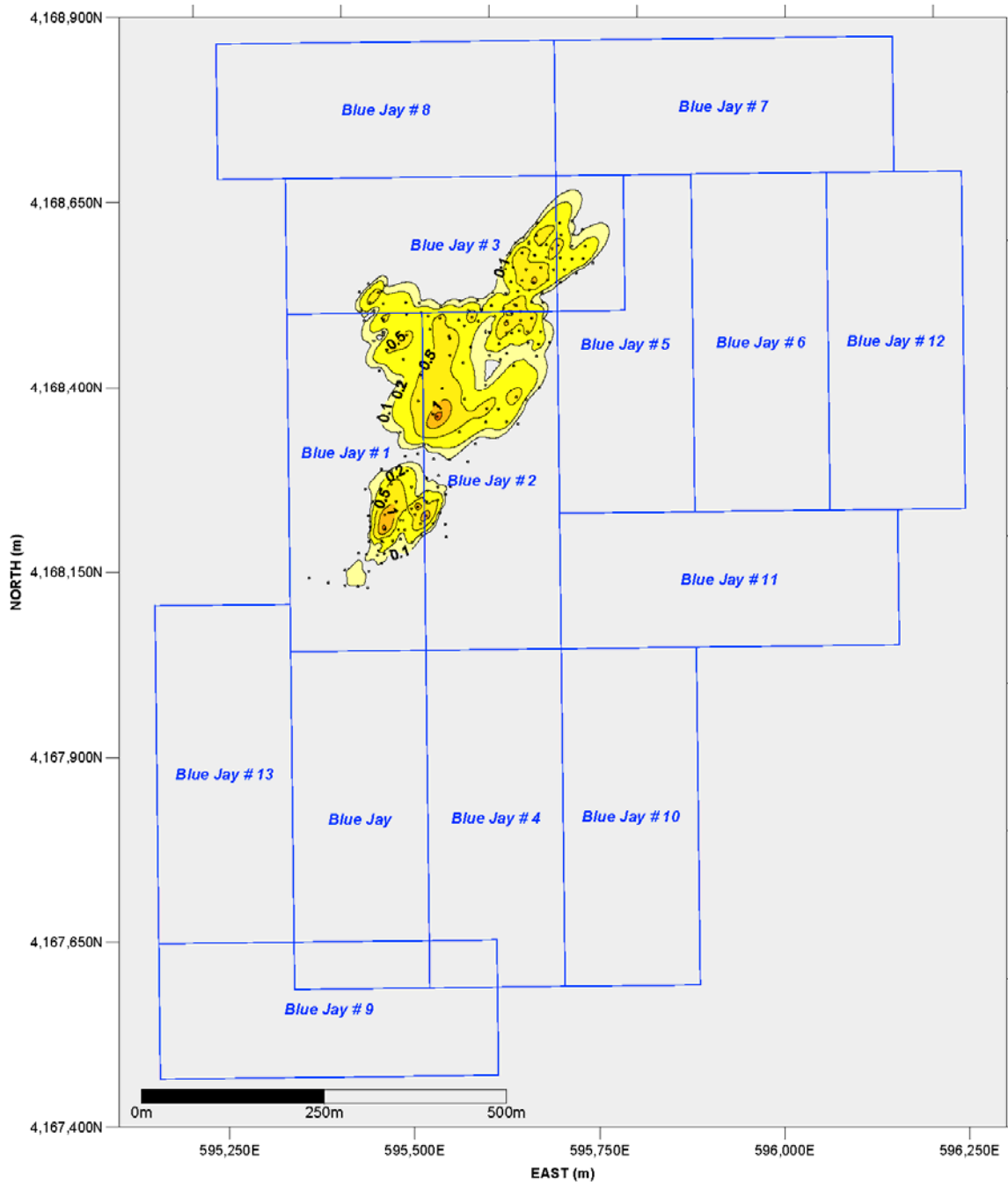
Daneros-Lark-Royal, Blanding UT

Analysis of the data package for the new Lark-Royal claims acquired from Uranium One indicates that there are substantial tonnages of remnant ore that were blocked out as historical "reserves" during previous development in the late 1970s in the Lark and Royal mines but are as yet unmined.

The remnant blocks are 200 metres from the proposed Daneros mine portal. Exploration drilling is planned to commence in the third quarter of 2009 to confirm the location and grade of these defined deposits and to locate extensions of the Daneros deposit on the Lark-Royal project area.

Blue Jay, Blanding UT

The Blue Jay project comprises 14 mining claims totalling 280 acres (97 ha), 40 km west of the White Mesa mill.



Blue Jay Uranium Deposit, showing grade x width U_3O_8 contour (ft.% U_3O_8) and drill hole positions

Blue Jay was originally located by exploration drilling completed in the 1970s. Analysis of the previous drilling data indicates the Blue Jay deposit, defined by the 0.1 ft.% U_3O_8 contour, has dimensions of 600 metres by 200 metres, and is open to the north and south. The Blue Jay channel has been located in outcrop a further 500 metres south of the drilled deposit.

White Canyon has commenced the exploration permitting process with a view to defining the full extent of the deposit and progress the historically defined mineralisation to JORC-compliant resource categories. Drilling operations should start in the third quarter of the year.

Uranium in the White Canyon District occurs in channels in the Triassic Chinle formation. Production from mines in the district since 1949 exceeded 11 million pounds of U_3O_8 at an average ore grade of 0.24% U_3O_8 .



John Hasleby
Managing Director
30 April 2009

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The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by John Hasleby who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Hasleby is Managing Director of the Company and has sufficient experience that is relevant to the styles of mineralization and types of deposit under consideration and to the activities that he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Hasleby consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.