



ASX ANNOUNCEMENT

WHITE CANYON URANIUM AGREES TO SELL DEVELOPMENT MATERIAL TO MAJOR US URANIUM PROCESSOR DENISON MINES

US focussed uranium company White Canyon Uranium Limited (**ASX: WCU**) (“White Canyon” or “the company”) has reached agreement with major North American uranium producer and processor Denison Mines Corp. (**TSX: DML, NYSE AMEX: DNN**) (“Denison”) to sell to Denison all material produced during the development stage of White Canyon’s Daneros uranium mine (“Daneros”) in South Eastern Utah through its Ore Buying Program.

The sale of the material generated from the development activities at Daneros is key to White Canyon building a lasting relationship with Denison as it is a requirement of Denison that companies sell the initial production from development activities to their mill, so as to allow Denison to derive critical processing parameters in regard to the Daneros mineralisation and how best to treat it through their mill in the future.

At the conclusion of this initial agreement, it is expected Denison will have all required information to enable the finalisation of a long-term treatment agreement between Denison and White Canyon.

The development of twin declines at Daneros commenced in July 2009 and while progress has been slower than anticipated, the main access decline has progressed passed 700’ (planned 900 – 1000’) and the mineralisation may be reached at the end of this month. The mineralisation will be mined utilising room and pillar methods. To achieve optimal production flexibility in terms of production tonnage and grade access to the mineralisation is required to be developed along the north south axis of the mineralisation. This planned development will also expose the known edges of the drill defined mineralisation allowing underground exploration to proceed.

The development is designed in mineralisation and is planned to proceed through to about February 2010 and produce approximately 10,000t of mineralised material. It is this development material that will be sold to the Denison mill at White Mesa, near the town of Blanding, Utah.

The mine development is the initial plan of the overall mine plan for Daneros. At the completion of the development phase full scale production is planned.

The development activities at Daneros are being led by White Canyon Operations Manager Mike Shumway who has 35 years experience in mining of uranium in Utah and Colorado. He has mined, in his own right and under contract, a number of mines in those states in the period 1972 to 1985, including the Zannat (East Canyon), Pine Ridge (La Sal), Corral Canyon, Blue Hill and Sunrise (Uravan) mines. He is a principal of mining contractor Reliance Resources LLC, which currently operates under contract (to Denison Mines) the Pandora Mine at La Sal.

The revenue derived from the sale of the development material to Denison will cover the cost of development for the Company during this period. This agreement with Denison will also ensure the Company does not need to stockpile any of the material produced during the development on site.

Update on TSX Venture Exchange listing

White Canyon’s application to be admitted to the TSX-V is progressing.

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About White Canyon Uranium:

Website: www.whitecanyonuranium.com

About Denison Mines Corp:

Denison is a diversified, growth-oriented, intermediate uranium producer with three active mines in the United States, and others on stand-by in Canada and the U.S. The assets of Denison also includes an interest in two of the four licensed and operating conventional uranium mills in North America, with its 100% ownership of the White Mesa mill in Utah and its 22.5% ownership of the McClean Lake mill in Saskatchewan. Both mills are fully permitted and operating, with Denison's 2008 production from the two mills approximately 1.6 million pounds U₃O₈ and 1.2 million pounds of vanadium.

The details of Denison's Ore Buying Program are available on their website - www.denisonmines.com.

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