# Drill Results at Nuinsco's Diabase Peninsula Uranium Project Provide Further Support for the Potential of a Significant Mineral Occurrence

***Joint Venture Agreement Extension Completed***

**Toronto, July 30, 2012** – Nuinsco Resources Limited ("Nuinsco" or the "Company")(TSX:NWI, www.nuinsco.ca) today announced that drilling results continue to provide the required indicative elements necessary to identify a deposit at its Diabase Peninsula uranium property in Saskatchewan's Athabasca Basin. Recent drilling has provided additional anomalous uranium results, with two of the three holes returning assays well in excess of the necessary 10 parts-per-million ("ppm") uranium ("U"), providing further indication of the pervasive and substantial mineralizing event that affected the rocks in the area.

"This year's program was cut short due to warm weather, however results from the three holes that were completed continue to support that we are in the right area," said Paul Jones, President. "Greater than 10ppm uranium in sandstone is evidence of a mineralised system and proximity to concentrations of high-grade mineralization. Nuinsco has now drilled 42 holes totalling 17,356m. Of these, a remarkable 33% have returned samples with uranium content exceeding 50ppm and 67% have returned values greater than 10ppm uranium – serving to further reinforce and highlight the outstanding scale of anomalous mineralization at Diabase."

The 2012 winter drill program followed from past exploration programs that have identified all the elements indicative of a uranium mineralizing event. Widespread anomalous uranium mineralization peaking at 707ppm U has been measured over kilometres of strike length along the regionally significant Cable Bay Shear Zone that underlies the entire length of the property.

Four holes were collared during the 2012 winter program although only three were completed (the fourth one, ND1202A, was abandoned in overburden at 30m). The total program consisted of 1,598m of drilling, with results peaking at 55.94ppm U over 6.9m in hole ND 1203 (see details below), including individual intervals grading 134ppm and 181ppm U (analysis by total digestion method). Unseasonably warm weather forced the demobilisation of equipment before drilling could be conducted on one of the most prospective uranium anomalies on the project – the Mackenzie Bay area in the central part of the property which is an area of overlapping geophysical, surface and drill hole geochemical anomalies and has favourable geology. The drill testing of this target will be deferred to a later program.

Two drill holes were completed on the northern part of the Main Grid (on disposition S106843 – see attached map) to evaluate a water covered Soil Gas Hydrocarbon anomaly lying in an area of substantial displacement of the unconformity across a fault structure. Hole ND1202 encountered a fault zone below the unconformity, returning a continuous interval from 439.37-461m (21.73m) assaying 27.40ppm U (total) (individual samples range from 1.43-63.7ppm U total, typically 1.5m in length).

DDH ND1203 was collared at 40m grid west and 25m grid south from ND1202 and was completed to 456m and encountered the diabase dyke from 214-310m with the unconformity at 389m. Gamma probe surveying revealed widespread elevated radioactivity through the altered and micaceous central portion of the diabase dyke averaging 65.33 counts-per-second ("cps") over 53.6m from 207.4-261m, and 113cps over 19.7m from 290.2-309.9m (values in sandstone near the unconformity are typically in the 20-50cps range). Analysis of the only dyke interval sampled produced 55.94ppm U (total) over 6.9m from 294.1-301m, with two samples at the core of the interval grading 134ppm and 181ppm U (total) over 0.7 and 0.8m respectively from 296.5-298m. It appears likely that the anomalous radioactivity displayed by the diabase dyke is due to contamination from assimilated radioactive material at the time of dyke emplacement; a source area for the interpreted significant uranium mineralization is likely to lie a short distance to the east of hole ND1203.

Drill hole ND1201 was collared upon a combined linear geophysical-geochemical anomaly lying beneath Cree Lake within the northern Rowan Grid Area (on disposition S108064 – see attached map) above the Cable Bay Shear Zone; a U (total) value of 15.80ppm over 0.63m (512.5-513.13m) was returned from a sample of sandstone at the unconformity. In addition two adjacent 1.5m length samples from 497.5m-499.5m, 13-16m above the unconformity returned U (total) analyses of 16.3ppm and 13.6ppm U - demonstrating evidence for wider distribution of anomalous uranium mineralization in the sediment column.

**Joint-Venture Extension Completed**

As previously announced (see news release dated June 12, 2012), the Company has agreed with Dr. Lloyd Clark to extend the deadline for the Company's option to acquire certain claims in the Diabase Peninsula (the "Extension").

As stated earlier by Mr. Jones, "the Extension is warranted because of the continued excellent results that indicate that the rocks underlying the property have been subjected a uranium mineralizing event capable of causing the formation of uranium bearing zones."

Under the terms of the agreement, the Company has issued 923,864 common shares to Dr. Clark, and agreed to cash payments totalling $37,400 payable in quarterly instalments ending on September 2, 2013. The agreement allows for an option to further extend the agreement.

**Analytical Methods**

All analyses reported in connection with Nuinsco's drilling at the Diabase Peninsula property from 2005 to 2012 have been completed at the laboratories of the Saskatchewan Research Council in Saskatoon. Statistical analysis of results from QA/QC samples included with drill core shipments reveals no irregularities or suspicious values in laboratory reports. Results for internal laboratory control specimens and pulp replicate analyses tested in conjunction with sample submissions also surpass laboratory QA/QC reporting standards.

Analytical packages employed for Sandstone (ICPMS1) and Basement lithologies (ICPMS2) determine 51 elements/oxides/isotopes by total digestion and 27 elements by partial digestion; 10 analytes are reported by both methods, with major oxides and trace elements determined only by total digestion methods. Partial digestion may not reveal the true content within a sample of the elements Ag, Co, Cu Mo, Ni, Pb, U, V, and Zn. Analyses involve the following procedures: Samples are jaw crushed to 60% minus 2mm. A 100-200gram subsample is riffle split then pulverised with a mild steel ring and puck to 90% minus 106microns to produce a pulp. For partial digestion methods an aliquot of sample pulp is then dissolved in a mixture of concentrated ultra-pure nitric and hydrochloric acids within a test tube placed in a hot water bath, and is then diluted to 15ml with deionized water. The solution is transferred to a Teflon tube and subjected to induction coupled plasma and mass spectrometry (ICPMS). Total digestion analyses employ similar methods except that a mixture of HF-HNO3-HClO4 acids are employed during initial dissolution, with any residue remaining dissolved by dilute HNO3. The solution is subjected to induction coupled plasma and optical emission spectrometry (ICP-OES) and ICPMS to determine 47 major, minor and trace elements, and the lead isotopes Pb204, Pb206, Pb207 and Pb208. Boron is determined by pulp aliquot fusion in a mixture of sodium oxide and sodium carbonate, followed by dissolution in deionized water and ICP-OES.

The 21,959 hectare Diabase Peninsula Project is located approximately five kilometres north of the southern boundary of the Athabasca Basin. It encompasses a 35 km strike length above the regional-scale Cable Bay Shear Zone deformation zone in the basement rock units below the basin sandstone. C.A. Wagg, Manager, Canadian Exploration for Nuinsco, who acts as a QP for the project under National Instrument 43-101, has reviewed the technical contents of this press release.

**About Nuinsco Resources Limited**

Nuinsco is a growth-oriented, multi-commodity mineral exploration company that is focused on world-class mineralized belts in Canada and internationally. In addition to its property holdings, Nuinsco owns common shares in Coventry Resources Limited (ASX:CVY) and Victory Nickel Inc. (TSX:NI), and a 50% interest in CBay Minerals Inc., a private company that is a dominant player in Quebec's Chibougamau mining camp with assets including a permitted mill, tailings facility, eight past producing copper/gold mines and a 96,000 acre land position. Shares of Nuinsco trade on the Toronto Stock Exchange under the symbol NWI.

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**Diabase Peninsula Drill Holes, 2012**