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ATHABASCA URANIUM COMPLETES Z-TEM SURVEY, GEARS UP FOR GROUND WORK

Athabasca Uranium Inc. is pleased to announce the completion of Phase One of its multi-phase exploration program on its East Key Lake, McGregor Lake, Webb River and McCarthy Lake uranium projects, located on the southeastern margin of the Athabasca Basin, Saskatchewan.

The heliborne Z-TEM (Z-Axis Tipper EM) survey, which was expanded to examine the East Key Lake and McCarthy Lake Projects, covered 3,246 line kilometers and preliminary results confirm both magnetic features and EM anomalies observed in previous ground and airborne surveys. The Company has commissioned a comprehensive interpretation study that will correlate historic information with the Z-TEM data with the intention of honing conductive targets already identified on all projects.

The Z-TEM process is effective at identifying discrete vertical conductive anomalies at depth. In general, conductive anomalies existing within magnetic discontinuities are key exploration indicators for altered sandstones and mineralized zones. In the Athabasca Basin, the vast majority of uranium mines and exploration deposits—including Denison's Wheeler River Project, Fission's Waterbury Lake Project, Hathor's Roughrider Zone and JNR/Denison's Moore Lake Project—are associated with subsurface graphitic conductors.

Subsequent to a prioritization of targets, Athabasca intends to proceed with Phase Two Magnetotelluric (MT) and resistivity ground surveys to further identify and refine targets. Following this, high priority targets should be available for Phase Three testing by diamond drilling. If deemed appropriate, the Company will also employ 2D seismic surveys, utilized by Hathor at Roughrider and JNR/Denison at Moore Lake, to increase the likelihood of drilling success.

About Z-TEM

Geotech's ZTEM system is an innovative airborne EM system which uses the natural or passive fields of the Earth as the source of transmitted energy. The Earth and Ionosphere, both conductive, act as a waveguide to "transmit" the source energy great distances. Due to the manner in which they propagate, these natural fields are planar and horizontal. Any vertical field is caused by conductivity contrasts in the Earth. The vertical EM field is referenced to the horizontal EM field as measured by a set of horizontal base station coils. The proprietary receiver design using the advantages of modern digital electronics and signal processing delivers exceptionally low noise levels.

About Athabasca Uranium

Athabasca Uranium Inc. is a uranium exploration and development company using leading-edge technology to explore an aggregate of over 80,000 acres strategically located in the uranium-rich Athabasca Basin region of northeast Saskatchewan. Additional information on Athabasca Uranium and its exploration projects is available on the Company's website at www.athabascauranium.com.

ON BEHALF OF THE BOARD OF DIRECTORS

"Gil Schneider"

Gil Schneider, President & CEO

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