PREPARED FOR

SANTOY RESOURCES LTD.

AND

VIRGINIA URANIUM, INC.

TECHNICAL REPORT ON THE COLES HILL URANIUM PROPERTY PITTSYLVANIA COUNTY, VIRGINIA UNITED STATES OF AMERICA

South Coles Hill Deposit – Latitude 36º52'18"N, Longitude 79º18'00"W
North Coles Hill Deposit – Latitude 36º52'43"N, Longitude 79º18'12"W

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1.0 SUMMARY

1.1 INTRODUCTION

Virginia Uranium, Inc. (Virginia Uranium) acquired the Coles Hill Uranium Property (CHUP) situated on privately controlled lands that hold the mineral rights in Pittsylvania County, Virginia (Figure 1.1). The surface radiometric anomaly associated with the CHUP was found in the late 1970s by Marline Uranium Corporation (Marline), a wholly-owned subsidiary of Marline Oil Corporation. Mr. Norm Reynolds, who was in charge of Coles Hill exploration for Marline, is currently president of Virginia Uranium.

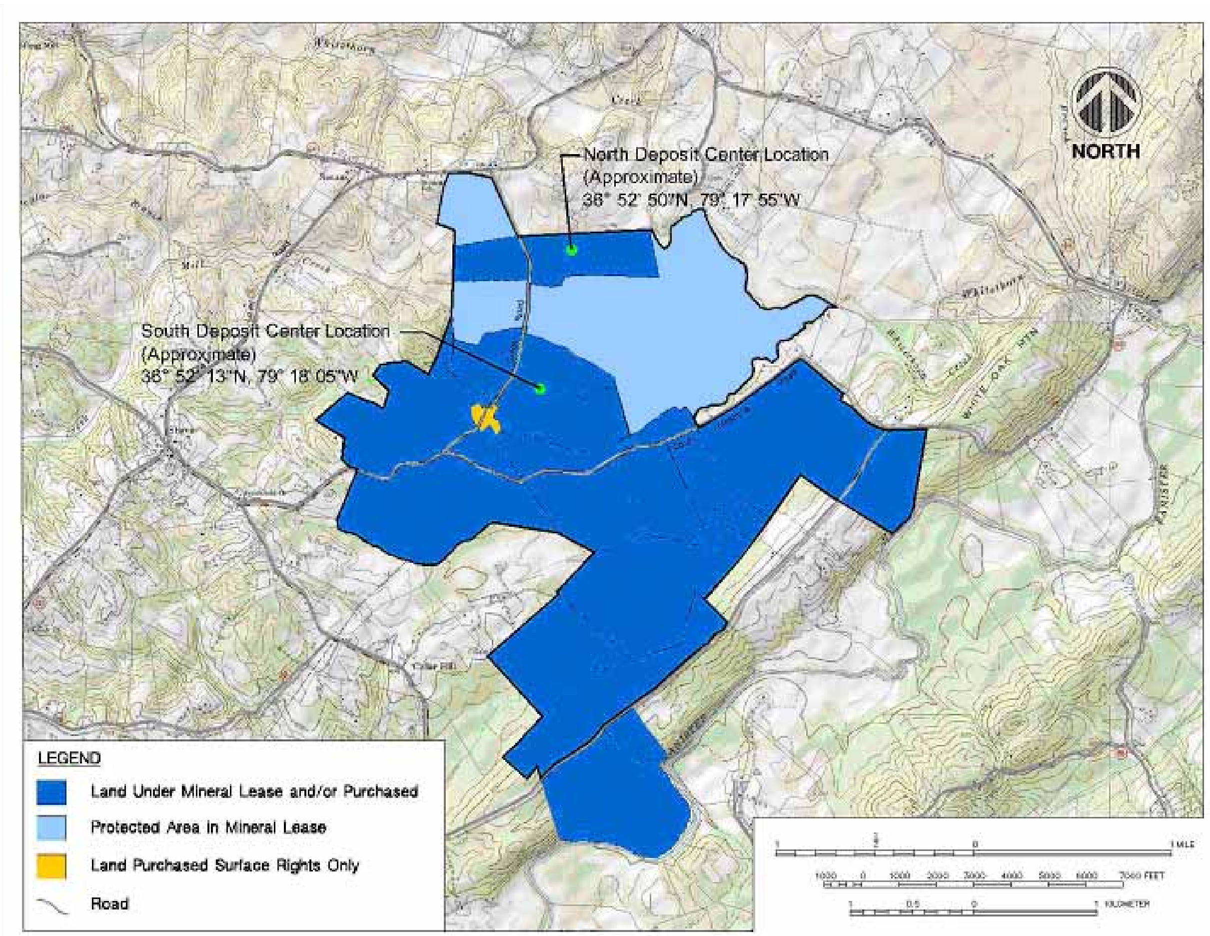

Figure 1.1. Virginia Uranium Properties under lease or purchased

The property was drilled from 1979 until 1984 with 182 rotary-percussion holes (totaling 124,799 feet) and 74 NQ core holes (totaling 65,082 feet), totaling 256 holes and 189,881 feet. In 2008, Virginia Uranium completed the drilling of seven rotary-percussion (RP) holes totaling 8,758 feet and three NQ core holes totaling 4,510 feet.

Historical "reserve" estimates (non-NI 43-101 compliant and not relied upon by Virginia Uranium were completed for Marline by Pincock, Allen and Holt (PAH) for the South Coles Hill Deposit (SCHD) and the North Coles Hill Deposit (NCHD) in August 1982. PAH estimated that contained uranium (U_3O_8) by percent-weight in the SCHD varied from about 21 million pounds to about 55 million pounds as the cutoff grade was decreased from 0.150% U_3O_8 to 0.025% U_3O_8 by weight. PAH estimated that the contained U_3O_8 in the NCHD varied from about 4 million pounds to about 54.5 million pounds as the cutoff grade was decreased from 0.150% U_3O_8 to 0.025% U_3O_8 by weight. PAH completed reserve estimates using accepted 1982 methodology. The category of "reserve" used by PAH (1982) is not equivalent to a "mineral reserve" as is currently defined in the Canadian Institute of Mining, Metallurgy, and Petroleum (CIM) Definition Standards on Mineral Reserves and Mineral Resources. Accordingly, it is not a current reserve or compliant with Canadian National Instrument (NI) 43-101 and should be treated as historical information that should not be considered as current reserves. A 1984 historic resource estimate performed by UMETCO Minerals Corporation (UMETCO), a subsidiary of Union Carbide Corporation (Union Carbide), provided detailed studies of the SCHD to Marline.

In 1982, the project contained sufficient "reserve" estimates for the Commonwealth of Virginia to hold hearings and establish the Uranium Administration Group (UAG). The UAG was charged with examination of uranium development at Coles Hill. The 1980s price downturn in the uranium market and nuclear industry resulted in the project being abandoned due to economic reasons and uranium regulations considered unnecessary, with leased mineral rights eventually returned to the land owners.

Virginia Uranium has leased or purchased the mineral rights to approximately 2,940 acres that includes associated surface rights to 2,296 acres covering the SCHD and the NCHD, as well as areas for exploration, mining operations, milling, waste management areas, and set-backs. An area (the "Protected Area") of about 637 acres exists around the Coles Hill historical buildings and cultural areas where only underground mining is allowed.

Virginia Uranium has access to the complete data and information that were compiled as a result of the drilling in the period 1979 to 1984. The data includes assay data, down hole gamma logs, and most of the details of the PAH and UMETCO reserve estimates. In 2008, Virginia Uranium completed a drilling campaign of three core and seven rotary drill holes to confirm the early findings.

Virginia Uranium retained Dr. Peter A. Christopher, PhD, P.Eng. (PAC) to prepare a NI 43-101 compliant report on the CHUP. PAC conducted a field examination of the CHUP and viewed reports on the CHUP in Chatham, Virginia. Additional reports obtained from the Virginia Museum of Natural History (VMNH) in Martinsville and the Virginia Department of Mines, Minerals and Energy (DMME) in Charlottesville, Virginia regarding the CHUP were reviewed and found to be consistent with the previously reviewed information. On November 6, 2007, PAC prepared and filed an NI 43-101 report regarding this deposit. PAC is responsible for the preparation of this report other than Section 14.0 – Mineral Processing and Metallurgical Testing and Section 15.0 – Mineral Resource and Mineral Resource Estimates.

Subsequently, Virginia Uranium retained Behre Dolbear & Company, Ltd. (Behre Dolbear) and PAC to prepare a NI 43-101 compliant report, which was completed on June 30, 2008. Subsequent to a December 22, 2008 Letter of Intent, Mr. Ron Netolitzky of Santoy Resources Ltd. (Santoy) retained Behre Dolbear and PAC to prepare an up-dated NI 43-101 compliant report. Subsequently, comments of April 9, 2009 by the Toronto Securities Exchange were incorporated to generate this report. The authors have kept Virginia Uranium as the subject company throughout the report, including recommendations and figure captions. Behre Dolbear, along with PAC, is responsible for the preparation of this report and Behre Dolbear was solely responsible for the preparation of Section 14.0 – Mineral Processing and Metallurgical Testing and oversight of Section 15.0 – Mineral Resource and Mineral Reserve Estimates prepared by Marshall Miller & Associates (MM&A). MM&A is a full-service geological, engineering, and environmental consulting firm rooted in the mining industry. MM&A created a MAPTEK Vulcan™

model of the deposit for Section 15.0, using historical Marline data and Virginia Uranium drill data. The Vulcan™ model allowed estimation of current resources, which are summarized in Table 1.1.

TABLE 1.1
RESOURCE ESTIMATES – JUNE 4, 2008
(MILLIONS OF TONS AND POUNDS IN-PLACE)

Cutoff % U_3O_8	Measured[1]			Indicated[1]			Total[1]		
	Tons[2]	% U_3O_8[3]	Pounds U_3O_8	Tons[2]	% U_3O_8[3]	Pounds U_3O_8	Tons[2]	% U_3O_8[3]	Pounds U_3O_8
South Coles Hill Deposit (SCHD									
0.200	0.397	0.301	2.39	2.35	0.264	12.4	2.75	0.270	14.9
0.150	0.562	0.264	2.97	4.56	0.221	20.1	5.12	0.225	23.1
0.125	0.654	0.246	3.22	5.24	0.210	22.0	5.90	0.214	25.2
0.100	0.755	0.228	3.45	5.31	0.209	22.2	6.07	0.211	25.6
0.075	1.35	0.164	4.44	16.7	0.122	40.9	18.1	0.125	45.3
0.050	2.28	0.124	5.65	22.3	0.109	48.7	24.5	0.111	54.3
0.025	6.62	0.064	8.42	44.6	0.071	63.5	51.2	0.070	71.9
North Coles Hill Deposit (NCHD									
0.200	-	-	-	0.519	0.320	3.32	0.52	0.320	3.32
0.150	-	-	-	0.851	0.262	4.46	0.85	0.262	4.46
0.125	-	-	-	0.927	0.252	4.67	0.93	0.252	4.67
0.100	-	-	-	0.959	0.247	4.74	0.96	0.247	4.74
0.075	-	-	-	7.31	0.103	15.1	7.31	0.103	15.1
0.050	-	-	-	13.2	0.088	23.1	13.2	0.088	23.1
0.025	-	-	-	47.5	0.050	47.1	47.5	0.050	47.1
CHUP Project Total (South and North Coles Hill Deposits)									
0.200	0.397	0.301	2.39	2.87	0.274	15.7	3.26	0.278	18.1
0.150	0.562	0.264	2.97	5.41	0.227	24.6	5.97	0.231	27.6
0.125	0.654	0.246	3.22	6.17	0.216	26.7	6.82	0.219	29.9
0.100	0.755	0.228	3.45	6.27	0.215	26.9	7.03	0.216	30.4
0.075	1.35	0.164	4.44	24.0	0.116	55.9	25.4	0.119	60.4
0.050	2.28	0.124	5.65	35.4	0.101	71.7	37.7	0.103	77.4
0.025	6.62	0.064	8.42	92.1	0.060	111	98.7	0.060	119

[1]Total tonnage above cutoff grade and average weight % U_3O_8 of that tonnage
[2]Short tons based on a rock density of 2.56 g/cc
[3]Weight %

The 1982 Process Development Studies prepared by Allison, et al. at the Colorado School of Mines Research Institute provided the basis for Section 14.0 and are augmented by the 1984 UMETCO report.

Currently, the Commonwealth of Virginia does not have uranium mining regulations and until such regulations are developed and allowed by statute, no permits for uranium mining can be accepted by state regulatory agencies. In November 2008, the Virginia Coal and Energy Commission created a sub-committee to evaluate uranium mining. The sub-committee is expected to engage the National Academy of Sciences to undertake a study with an anticipated duration of one to two years. The Virginia Coal and Energy Commission will make a recommendation to the legislature based on the outcome of the study. Virginia has a bicameral legislature so bills enabling uranium mining regulation development must be approved by both the House and the Senate. The Governor must then sign the bill for it to become enacted into law.

1.2 PROPERTY OWNERSHIP AND TERMS OF AGREEMENT

The Virginia Uranium position on the CHUP consists of fee simple ownership and leasehold interests in the mineral and surface rights to a portion of the Coles property and the contiguous Bowen property (described in Section 3.6 of this report), as well as other properties. The total mineral rights and leases cover approximately 2,940 acres (1,190 hectares), including about 2,296 acres (929 hectares) in surface rights (Figure 1.1).

Santoy Resources Ltd. (TSX.V: **SAN**), a Canadian publicly traded firm, announced on December 22, 2008 that it had signed a Letter of Intent (LOI) with two private companies. Pursuant to the LOI, Santoy will acquire all of the shares of Virginia Uranium Ltd. (Limited), a private Yukon corporation, in exchange for shares in Santoy, at a fixed ratio of six Santoy shares for each one share of Limited. Limited currently holds a 12% minority interest in VA Uranium Holdings, Inc. (Holdco), a Yukon corporation. Holdco's 100% owned subsidiary, Virginia Uranium Inc., a Virginia corporation, controls the leasehold development and operating rights of the Coles Hill uranium property in southside Virginia.

1.3 GEOLOGICAL SETTING AND MINERALIZATION

The CHUP, located in the Piedmont physiographic province of Virginia, consists of two approximately 350-meter-long by 250-meter-wide ellipsoidal mineral deposits (NCHD and SCHD). The character of the deposits is shaped by a complex combination of three major factors: faulting, fracture zones, and alteration.

The deposits are hosted within a fault-bounded wedge of Precambrian or Paleozoic mylonitic quartzo-feldspathic gneiss and some amphibolite exposed in the footwall of the Chatham fault zone, which forms the northwest limit of the Danville Triassic Basin. The host rocks are Leatherwood granite gneiss and amphibolite, which display hydrothermal alteration by sodium metasomatism, chloritization, argillization, hematization and uranium mineralization.

1.4 DEPOSIT TYPE AND EXPLORATION CONCEPT

The CHUP contains a fracture-hosted hydrothermal deposit, with uranium situated in mylonite. The deposit has characteristics of hydrothermal fracture type uranium deposits. Hydrothermal solutions and associated uranium mineralization are presently hypothesized to have been mobilized by the tectonic events.

The mechanism of uranium deposition at Coles Hill is similar to that in the Athabasca Basin, as indicated by the presence of alteration minerals hematite, epidote, and chlorite. A similar deposition mechanism in the Athabasca Basin has produced significant-grade uranium mineralization, which might also occur in the untested deeper parts of the Coles Hill Deposits (Jerden 2001).

1.5 STATUS OF EXPLORATION, DEVELOPMENT, AND OPERATIONS

Virginia Uranium obtained permits for uranium exploration in November 2007 and started a core and rotary percussion drilling program in December 2007. By May 2008, the Company completed three core holes totaling 4,510 feet, seven rotary percussion holes totaling 8,758 feet, and the re-assaying of about 60 feet of core drilled by Marline.

The Virginia Uranium resource estimates in this report are based on the verified, historical Marline data base and the new Virginia Uranium drilling. MAPTEK VULCAN™ (Version 7.5) three-dimensional modeling software was used by Marshall Miller under the direction of Behre Dolbear to estimate the current resources summarized in Table 1.1. The estimates were made using a combination of Marline data and Virginia Uranium drilling results as of May 2008.

1.6 CONCLUSIONS AND RECOMMENDATIONS

1.6.1 Conclusions

Behre Dolbear and PAC's conclusion is that the character of the property is of sufficient merit to proceed with Virginia Uranium's proposed Phase 1 and Phase 2 programs outlined in Section 18.2. The sequence of the work program stages represents a reasonable approach by Virginia Uranium. The stature of the deposit suggests sufficient merit to warrant resolving mining regulatory issues before starting a feasibility study.

1.6.2 Recommendations

Behre Dolbear and PAC recommend that Virginia Uranium undertake Phase 1 at this time, with Phase 2 to follow based on the success of Phase 1. To provide a basis for a scoping and pre-feasibility study, Virginia Uranium proposes the following tasks be completed:

1.6.2.1 Resources

1) Create a preliminary mine development plan using the available data.
2) Study the reports of prior surface geophysical surveys and if the results indicate an association to uranium mineralization or deposit geometry, conduct appropriate surface surveys to better delineate the deposits and/or indicate new ones.

1.6.2.2 Metallurgical Testing, Process Selection, and Study

1) Conduct metallurgical testing to confirm the production of a commercially acceptable product and to aid in the selection of a production process. A sample of about 200 pounds per process method may be sufficient to perform this testing.
2) Analyze various economic, regulatory, and environmental trade-offs between acid and alkaline leaching under current and expected future conditions.
3) Prepare a scoping study on the potential to utilize radiometric sorting and other methods to increase mill feed grade and to assist in equipment design and selection.

1.6.2.3 Phase 1 Delineation, Scoping, and Pre-Feasibility Studies

Conduct a Phase 1 program to upgrade the project to the scoping and pre-feasibility stage by computer modeling using existing data, metallurgical testing, engineering studies, and some pre-permitting activities. Phase 1 will not include any new drilling but may include evaluation of existing core and other studies.

The proposed Phase 1 program is estimated to require a budget of about US$3,068,400 (Table 18.1), and is estimated to require 9 to 12 months to complete, with some of the program elements continuing into Phase 2.

1.6.2.4 Phase 2 Delineation and Feasibility Studies

Virginia Uranium proposes a Phase 2 program consisting of continuation of baseline environmental studies, further drilling of about 35 holes or 42,000 feet, advanced metallurgical testing, and engineering studies required for a feasibility study. The location of the first set of proposed drill holes is shown on Figures 9.1, 9.2, and 9.3. Once mining regulations are established, a feasibility study can be undertaken and reserves will be estimated.

A budget of US$9,206,400 is estimated for the Phase 2 program (Table 18.2). The amount of drilling required will depend on the success of the Phase 1 program. The Phase 2 drill program will be constructed on the basis of the Phase 1 results, with input from the engineering firm selected to complete the feasibility study.

2.0 INTRODUCTION

2.1 TERMS OF REFERENCE AND PURPOSE

This Technical Report prepared for Santoy and Virginia Uranium includes proposals for additional delineation of the deposits to further define mineralization, metallurgical and process selection studies, and a pre-feasibility study to support development of the CHUP in Pittsylvania County, Virginia, USA. The report has been prepared in compliance with the requirements of National Instrument 43-101 and Form 43-101F1. The purpose of the report is to provide supporting documentation to be filed with the relevant securities commissions and the Toronto Stock Exchange.

2.2 SOURCE OF INFORMATION AND DATA

The majority of the information for this report comes from reports and documents listed under Section 19 (References and Sources of Information) of this report. Data were collected from various reports and other data supplied by Virginia Uranium, the Virginia Museum of Natural History, the Virginia Division of Mineral Resources, and extensive reporting of academic studies by faculty and students at Virginia Polytechnic Institute and State University, as well as from access to all known historical Marline data. The Marline data consist of drill logs, maps, process data, and reports.

PAC believes that previous exploration conducted by Marline and Union Carbide used competent personnel for fieldwork and sampling and certified laboratories for analytical work. The historical reporting of analytical procedures is not to NI 43-101 standards. Virginia Uranium, with input from Behre Dolbear, has established Quality Assurance/Quality Control (QA/QC) protocols to follow CIM recommended best practices for all additional work.

Diamond drill core was made available by the Virginia Museum of Natural History (VMNH) for review and spectrometer checking of mineralized section. In a formal agreement signed November 2007, VMNH has agreed to have the core available to Virginia Uranium for three years.

Dr. Christopher personally examined the geological setting of the CHUP area on January 16, 2007; and, on January 17, 2007, he viewed reports on the CHUP kept by Virginia Uranium in Chatham, Virginia. Dr. Christopher reviewed the geological setting of the CHUP with two experts: (1) Mr. Norm Reynolds, president of Virginia Uranium and past exploration manager for Marline, and (2) Mr. William Henika, a geologist who originally mapped the area for the Virginia Division of Mineral Resources, Virginia Tech, and predecessor organizations.

2.3 PERSONNEL

Dr. Christopher conducted a property examination of the CHUP on February 23, 2007 and February 24, 2006 with Messrs. Norm Reynolds and William Henika with representatives of VMNH providing access to secured and archived historical drill core. Dr. Christopher also conducted a property examination of the CHUP on January 16, 2007 and January 17, 2007 and again on May 12, 2008.

Behre Dolbear personnel (Mr. Maxwell, Ms. Gibbs, and Mr. Pool) visited the site on October 12, 2007, and Mr. Maxwell returned for another visit on March 19, 2008. Mr. Pool had direct experience in the 1980s working on the disequilibrium study related to this project while employed with Douglas-Robertson and Associates. During the October 12, 2007 visit and again on March 17, 2008, Mr. Pool reviewed the original Marline data.

The Behre Dolbear personnel inspected the historical Marline data, and Gibbs Associates digitized key portions of it. Behre Dolbear provided the review and options regarding Sections 14.0 (Mineral Processing) and 15.0 (Mineral Resource Estimates). The resource estimate was made by MM&A with oversight by Behre Dolbear.

2.4 RELIANCE ON OTHER EXPERTS

PAC reviewed property and mineral agreements as well as title documents provided by Mr. Norm Reynolds to summarize title and ownership. Legal counsel to Virginia Uranium assisted in drafting the summaries of agreements discussed in Section 3.6 of this report. PAC does not express a legal opinion as to the title or ownership of the CHUP and relied on the opinions of Virginia Uranium's legal representatives. Behre Dolbear has copies of the property and mineral agreements as well as title documents on file.

Behre Dolbear & Company, Ltd. conducted an independent evaluation of the CHUP property in Virginia for Virginia Uranium. Site visits were made to the property and office in Virginia by Behre Dolbear professionals involved in this project. Behre Dolbear has reviewed technical data, reports, and studies produced by other consulting firms, as well as information provided by Virginia Uranium. Behre Dolbear's review was conducted on a reasonableness basis, and Behre Dolbear has noted herein where such provided information engendered questions. Except for the instances in which Behre Dolbear has noted questions, Behre Dolbear has relied upon the information provided as being accurate and suitable for use in this report.

Behre Dolbear and PAC retain the right to change or modify their conclusions if new or undisclosed information is provided that might change their opinion.

3.0 PROPERTY DESCRIPTION AND LOCATION

3.1 PROPERTY AREA AND TERMS OF AGREEMENT

Two uranium deposits have been delineated on the CHUP. The SCHD is centered near latitude 36º52'18"N, longitude 79º18'00"W on the Spring Garden USGS 7.5-minute quadrangle topographic map, and the NCHD is centered near latitude 36º52'43"N, longitude 79º18'12"W on the Gretna USGS 7.5-minute quadrangle topographic map.

The CHUP consists of fee simple ownership and leasehold interests in the mineral and surface rights to a portion of the Coles property and the contiguous Bowen property, as well as other properties as shown in Table 3.1.

TABLE 3.1
PROPERTY OWNERSHIP AND LEASES

	Item	Surface Rights (Acres)	Mineral Rights (Acres)	Term or Expiration Date
A	Coles Hill, LLC Mineral Lease Dated 4/4/2007	252	904*	12/31/2045
B	Bowen Minerals, LLC Mineral Lease Dated 4/4/2007		112	12/31/2045
	Total of Parcels A & B	**252**	**1,016**	
C	Crider Option for Surface Rights Related to Bowen Lease Dated 5/29/2007	112		5/29/2037
D	Burt Land Purchase Dated 5/30/2007	767	767	None
E	Coles Option Dated 5/31/2007			
	Parcel 1	148	148	12/31/2045
	Parcel 2	206	206	12/31/2045
	Total of Parcels 1 and 2	**354**	**354**	
F	Marline Purchase (Recorded 8/9/2007)	8	0	None
G	Additional Land (Purchased 10/10/2007)	226	226	None
H	Additional Land (Purchased 10/31/2007)	410	410	None
I	Additional Land (Purchased 11/6/2007)	167	167	None
	Total Contiguous Project Area	**2,296**	**2,940**	

*Protected Area in the Coles Hill, LLC Mineral Lease restricts surface rights but allows mineral rights by underground mining on about 652 acres (per 6/8/2007 Amendment)

The use of surface rights has been restricted by the leases in about 652 acres near the historical Coles farm house (Protected Area). The type of mining that is allowed in the Protected Area is limited to underground mining by the terms of the lease with Coles Hill, LLC. Surveyed land plots are available in Chatham, the county seat.

After legal review, Virginia Uranium is satisfied with ownership, title and agreements pertaining to the CHUP. The total mineral rights and leases cover approximately 2,940 acres (1,190 hectares), with about 2,296 acres (929 hectares) in surface rights. No obligations must be met until 2020 to retain any of the above interests.

3.2 PROPERTY LOCATION

The CHUP is situated in Pittsylvania County and the Piedmont physiographic province in south-central Virginia (Figure 3.1). The property is 6 miles (10 kilometers) northeast of Chatham, the county seat, which has a population of about 1,500 people and is 30 miles (48 kilometers) north of Danville, an independent city bordering Pittsylvania County to the south, with a population of about 45,000 people. The Raleigh-Durham area, North Carolina, population about 1,200,000 people, is about 70 miles (110 kilometers) southeast of Danville, Virginia and 88 miles (140 kilometers) southeast of the CHUP.

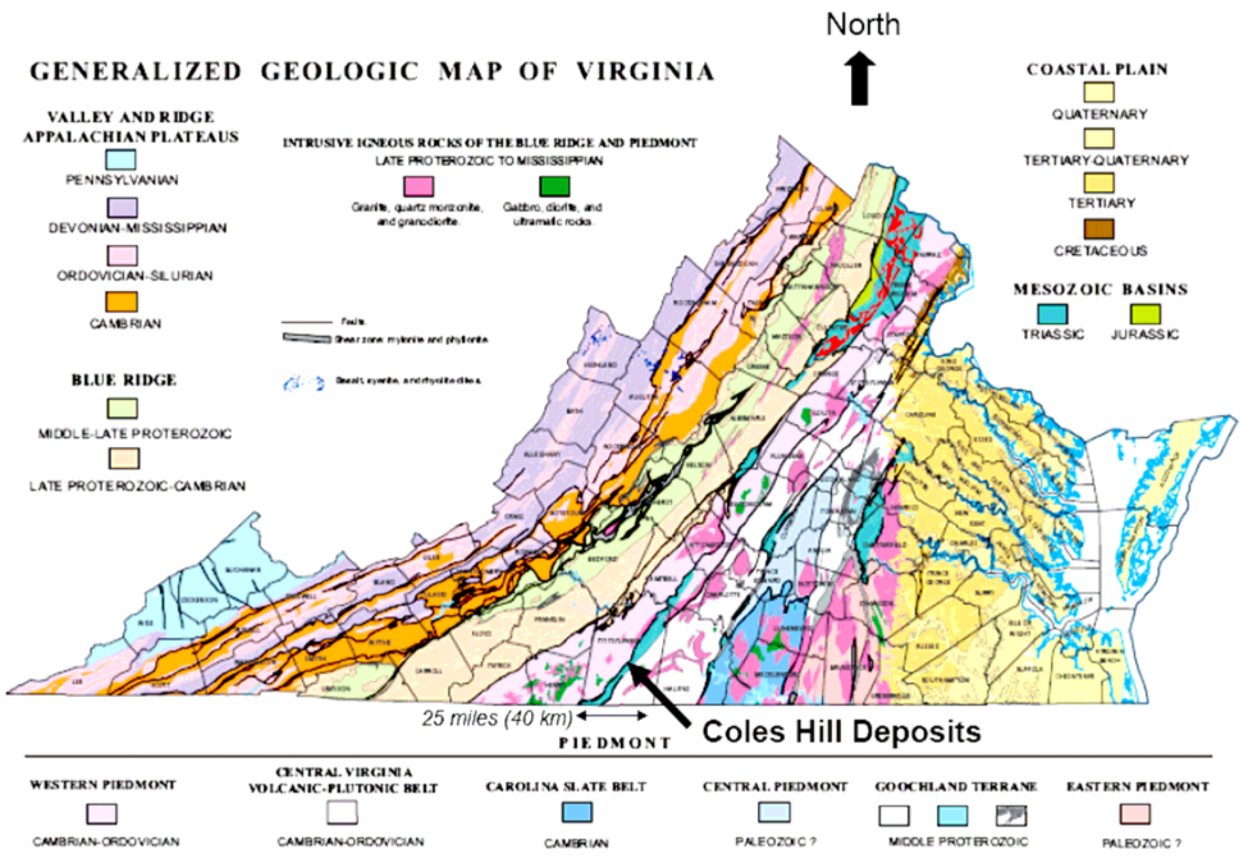

Figure 3.1. General location of Coles Hill Uranium Deposit in Pittsylvania County, Virginia (From Virginia DMME)

Development of the NCHD and SCHD as a mine will require management of local surface drainage and groundwater and relocation or closure of part of State Road 690 (a gravel road called Coles Road).

3.3 LEGAL SURVEY

Survey plots of the Coles farm lands and the Bowen farm lands are available from the land offices in Chatham, Virginia. The property plan (Figure 1.1) was constructed from legal survey plots obtained from Pittsylvania County.

3.4 ENVIRONMENTAL LIABILITIES

Neither Behre Dolbear nor PAC is aware of any environmental liabilities related to the CHUP. Exploration holes drilled by Marline and Virginia Uranium have been abandoned by cementing them from bottom to top as required by Virginia state regulations. Virginia Uranium has abandoned most of its holes by cementing them from bottom to top, but one drill hole was abandoned by turning it into a monitoring well to study the fracture hydrology of the deposit.

NCHD and SCHD are mainly covered by a few meters of barren material, and drilling was the only invasive method used to explore the deposits. Other non-invasive methods, such as ground radiometry, magnetic, and gravity, have also been used. Prior to the conduct of new drilling, an exhaustive Uranium Exploration permit was submitted to and approved by the Virginia Department of Mines, Minerals, and Energy (DMME). This permit included an evaluation of the local environment, detailed operations and reclamations plans for drill sites, wetlands delineation, study of critical habitats for endangered or threatened species, and archeological, cultural, and historical resources. During operation and reclamation, the operations were and will continue to be regularly inspected by a DMME mine inspector.

3.5 WORKINGS ON THE PROPERTY

No surface workings are present on the CHUP. No new residential, commercial, or industrial property development or construction was observed on or near the site.

3.6 TITLE AND AGREEMENTS

Virginia Uranium and their legal counsel have satisfied themselves with respect to ownership and title to the CHUP (Table 3.1).

3.6.1 Coles Lease and Bowen Lease

On April 4, 2007, Virginia Uranium entered into a deed of mineral lease with Bowen Minerals, LLC (Bowen Lease) and a deed of mining lease with Coles Hill, LLC (Coles Lease and collectively with the Bowen Lease, “Leases”). Pursuant to the Leases, Virginia Uranium was granted the sole and exclusive right to drill, quarry, mine, process, store, remove, and sell all of the uranium and all other fissionable source materials located on or under the lands of the two adjoining properties. The Leases expire on December 31, 2045, unless otherwise terminated or extended as agreed between the parties.

The Protected Area, as described in the Coles Hill Lease, contains historical sections for preservation on which surface activities are only allowed by written permission from the owners of the Protected Area. On June 8, 2007, Coles Hill, LLC amended their lease to allow for underground mining in the Protected Area as long as the mining does not disturb, harm, or damage the historic or other structures located within the Protected Area or restrict the enjoyment thereof. On November 6, 2007, the owners of the surface rights gave written permission for ten holes to be drilled in the Protected Area.

On each anniversary of the Effective Date after December 31, 2020, Virginia Uranium has agreed to pay minimum annual rent (Anniversary Payment) in the amount of US$250,000 to Bowen Minerals, LLC under the terms of the Bowen Lease and US$750,000 to Coles Hill, LLC under the terms of the Coles Lease. In addition, Virginia Uranium has agreed to pay Coles Hill, LLC and Bowen Minerals, LLC, as applicable, an earned revenue royalty at a fixed percentage of the actual price per pound of U_3O_8 received by Virginia Uranium for arms length sales to third parties. Virginia Uranium shall pay a revenue royalty of 3% for sales of U_3O_8 at a realized price per pound of less than US$30, 4% for sales of U_3O_8 at a realized price per pound at or greater than US$30 but less than US$100 and 5% for sales of U_3O_8 at a realized price per pound at or greater than US$100. The earned revenues royalty shall accrue during each lease year that begins with the commencement of mining by Virginia Uranium and be payable, if at all, when the earned royalty for a lease year exceeds the Anniversary Payment for such year.

3.6.2 Land Acquisition and Option Agreements

Uranium exploration is regulated by DMME and a permit must be obtained to conduct exploration activity. Virginia Uranium applied for and obtained a permit on November 14, 2007 to conduct exploration activities on 200 acres and to drill 40 holes on the CHUP. This permit allows Virginia Uranium to conduct drilling to a depth in excess of 50 feet for the purpose of determining the location, quantity, or quality of uranium ore.

Land acquired pursuant to the terms described in the agreement dated May 22, 2007 between Fred W. Burt and Shirley C. Burt (Burts) and Virginia Uranium was assigned to Southside Cattle Company (LandCo), a 100% subsidiary of Virginia Uranium. LandCo acquired approximately 767 acres of land contiguous to the South Coles Hill Deposit (Burt Lands), excluding any mineral rights associated with the Burt Lands (Reserved Minerals). LandCo also acquired an option to lease the Reserved Minerals (Burt Option) from the Burts, which option may be exercised by LandCo at any time prior to 2045. Upon exercise of the Burt Option, Virginia Uranium through LandCo shall have the right to remove and sever all such Reserved Minerals from the Burt Lands.

Upon exercise of the Burt Option, Virginia Uranium shall have the right to remove and sever all such Reserved Minerals from the Burt Lands. In the event such Reserved Minerals are extracted from the Burt Lands by Virginia Uranium, Virginia Uranium shall pay to the Burts a royalty of 3% for sales of Reserved Minerals at a realized price per pound of less than US$30, 4% for sales of Reserved Minerals at a realized price per pound at or greater than US$30 but less than US$100 and 5% for sales of Reserved Minerals at a realized price per pound at or greater than US$100. If Holdco ceases mining operations in Pittsylvania County, Virginia or elects to sell the Burt Lands, the Burt family shall have the right to repurchase the Burt Lands for the then fair market value.

Pursuant to an option agreement (Crider Option Agreement) dated June 1, 2007, between Roy Crider and Connie Crider (Criders) and Virginia Uranium, the Criders have granted to Virginia Uranium an option to purchase approximately 112 acres of land which covers part of the surface rights of the South Coles Hill Deposit exercisable for a period of 30 years commencing on June 1, 2007. The minerals rights under these 112 acres are covered by the Bowen Minerals LLC Lease.

Pursuant to an option agreement (Coles Option Agreement) dated May 31, 2007, among Virginia Uranium, Walt Coles, Senior and Alice C. Coles, Virginia Uranium has acquired an option (Coles Option) to purchase approximately 354 acres of land, which covers the southern portion of the Project area. It is exercisable for a period commencing after the Virginia General Assembly has enacted and the Governor of Virginia has signed legislation establishing a permitting program for Uranium and Virginia Uranium has received all necessary approvals to mine pursuant to a mining plan. The lease ends on the earlier of the termination or expiration of the Coles Lease.

3.6.3 Marline Property Purchase

LandCo, on behalf of Virginia Uranium, purchased 8 acres of land that was owned by Marline and sold at auction for failure to pay taxes to Pittsylvania County in July 2007. The transfer of deed was recorded on August 9, 2007. This purchase conveyed only the surface rights to Virginia Uranium and the mineral rights are retained by the churches that were part of Camp Pitt Church Camp.

3.6.4 Additional Property Purchase of October 10, 2007

LandCo, on behalf of Virginia Uranium, purchased the surface rights to approximately 226 acres of then non-contiguous property for set-back purposes on October 10, 2007. The subsequent purchase of land on November 6, 2007 made this land contiguous to the Project site. The original landowner retains the mineral rights but has granted LandCo the option to lease the mineral rights at any time prior to the Year 2045 for the same terms as the Coles and Bowen terms. Upon the exercise of the mineral rights option, Virginia Uranium through LandCo shall have the right, at any time, to remove and sever the mineral rights from this property for a period of 20 years.

3.6.5 Additional Property Purchase of October 31, 2007

LandCo, on behalf of Virginia Uranium, purchased approximately 410 acres of contiguous property on October 31, 2007 for process and set-back purposes. No mineral lease payments are associated with this land purchase.

3.6.6 Additional Contiguous Property Purchase of November 6, 2007

LandCo, on behalf of Virginia Uranium, purchased approximately 167 acres of contiguous property on November 6, 2007. At closing, a fee simple title was conveyed to LandCo. This property purchase allowed the non-contiguous property purchase of October 10th to be contiguous to the Project site. The original landowner retains the mineral rights but has granted LandCo the option to lease the mineral rights at any time prior to the Year 2045. Upon the exercise of the mineral rights option, Virginia Uranium through LandCo shall have the right to at any time to remove and sever the mineral rights from this property for a period of 20 years for the same terms as the Coles and Bowen mineral lease terms.

3.6.7 State Road 690 (Coles Road)

The state road that goes through the property is a prescriptive easement in favor of the Commonwealth of Virginia but the mineral rights remain with the landowners. Prior to the relocation or closure of this road, consent will be requested from the Commonwealth of Virginia and/or local authorities.

3.6.8 Santoy Resources Ltd.

Santoy Resources Ltd. (TSX.V: **SAN**), a Canadian publicly traded firm (Santoy), announced on December 22, 2008 that it had signed a Letter of Intent (LOI) with two private companies. Pursuant to the LOI, Santoy will acquire all of the shares of Virginia Uranium Ltd. (Limited), a private Yukon corporation, in exchange for shares in Santoy, at a fixed ratio of six Santoy shares for each one share of Limited. Limited currently holds a 12% minority interest in VA Uranium Holdings, Inc. (Holdco), a Yukon corporation. Holdco's 100% owned subsidiary, Virginia Uranium Inc., a Virginia corporation, controls the leasehold development and operating rights of the Coles Hill uranium property in southside Virginia.

4.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE, AND PHYSIOGRAPHY

4.1 ACCESS TO THE PROPERTY AND PROXIMITY TO POPULATION CENTER(S)

The property is accessed by a major north-south highway, U.S. Highway 29, and is between the cities of Danville and Lynchburg. Danville, historically a mill and tobacco town, is about 30 miles (48 kilometers) to the south. Lynchburg, a city that has a significant nuclear industry presence, is about 50 miles (81 kilometers) to the north. The site can be accessed by driving through the towns of Chatham or Gretna, and then secondary roads. From Chatham, Virginia, secondary paved roads such as Chalk Level Road (State Road 685) intersect directly with the gravel Coles Road (State Road 690) that bisects the project area. A number of dirt roads and lanes provide access to the Coles farm land and Bowen farm lands that form the CHUP. The Company has also acquired rights to nearby lands for use in its operations (see Figures 1.1, 3.1, and 4.1).

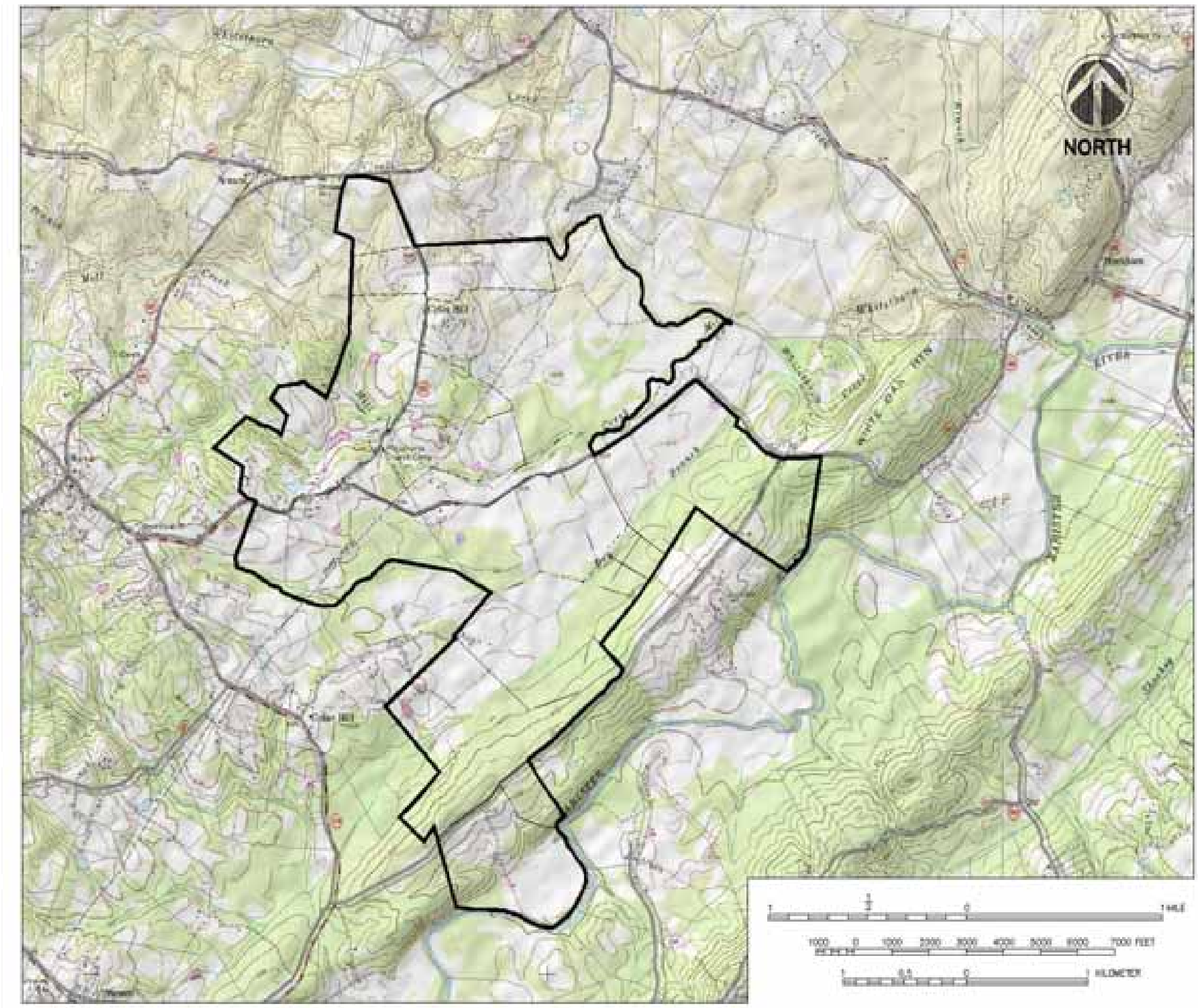

Figure 4.1. Topographic plan, Coles Hill Area, Pittsylvania County, Virginia

4.2 CLIMATE AND LENGTH OF OPERATING SEASON

The climate in the region is characterized by warm temperatures during the summer months. Cooler temperatures in the winter months produce some freezing and snow, averaging about 10 inches annually from mid-November through mid-March. The area is warm, with average maximum temperatures in Chatham and Danville over 80°F from June through September and average maximum temperatures between 47°F and 52°F from December through February. There is no defined rainy season; however, severe storms accompanied by heavy rain may occur from June through September. Occasional rain and cooler temperatures occur in December and January. The average annual precipitation is about 48 inches, with monthly averages varying from about 3.0 inches to 4.6 inches. The humidity averages about 80%, with higher average values near 90% occurring in August and September. A pleasant climate allows for all-year operation.

4.3 AVAILABILITY OF SURFACE RIGHTS, POWER, WATER, AND MINING PERSONNEL

The CHUP consists of leases on the mineral and surface rights to a portion of the Coles property and the contiguous Bowen property, as well as other properties (Table 3.1). The total mineral rights and leases cover approximately 2,940 acres (1,190 hectares), with about 2,296 acres (929 hectares) in surface rights.

The use of surface rights has been restricted by the leases covering about 652 acres near the historical Coles farm house (Protected Area). Surveyed land plots are available in Chatham, the county seat.

Development of the NCHD and SCHD as a mine may require management of local surface drainage, wetlands and groundwater, and relocation or closure of part of State Road 690, a gravel country road called Coles Road. The Virginia power grid and Williams' Transco interstate gas pipeline provide a local source of fuel and electrical power.

Mining personnel can reasonably be recruited from the local area, as the skill sets needed for miners exist already among people and companies who are comfortable with farming and heavy equipment. Nearby Virginia Tech, in Blacksburg, Virginia, has a large mining engineering department and a significant geology department that can provide high-quality employees. The Commonwealth of Virginia has a strong mining heritage that is still strongly active in the western portion of the state, with many companies providing specialized mining services and veteran mining personnel who can assist in this project. This site has significant advantages over remote areas for the recruitment and retention of mining personnel.

4.4 INFRASTRUCTURE

The Virginia Uranium controlled surface area will be required for the mining of the North and South Coles Hill Uranium Deposits. A number of areas outside the leased area provide suitable sites for tailings management areas and plant sites. Since acquisition of suitable sites is required, Virginia Uranium has about 1,508 acres (609 hectares) of contiguous land under control for potential mine, mill, waste, and tailing management areas, as well as set-back.

Reclamation requirements may call for part of the tailings to be returned to the pit areas and non-radioactive overburden used to cover tailings. Additional land may be required to ensure efficient site operations.

4.5 PHYSIOGRAPHY

The topography at the CHUP is subdued, with typical rolling hills of the Piedmont Province having elevations ranging from about 560 feet (170 meters) in Mill Creek to approximately 700 feet (213 meters) at Coles Hill. The area is drained by Mill and Whitethorn Creeks, with Mill Creek entering Whitethorn Creek 1.4 miles (2.2 kilometers) east of Coles Hill.

5.0 HISTORY

The Danville Triassic Basin was targeted by Marline in 1977 for uranium exploration because of the location of the basin near possible granitic sources of uranium, the probable existence of stratigraphic traps, and indications of uranium from airborne surveys (Dribus 1978). The history of exploration and development of the Coles Hill Uranium Deposit is highlighted below:

- In June 1977, Marline initiated ground radiometric reconnaissance surveys. This activity was limited to car-borne radiometric surveys.
- Ground radiometric surveys led to discovery of uranium-bearing rocks in mid-1978, and a lease acquisition program was started.
- First Marline mineral leases were acquired in September 1978.
- The Coles Hill Lease was acquired in December 1978.
- Marline 1978 surface sampling yielded 0.5 weight % U_3O_8.
- Extensive helicopter airborne gamma ray spectrometer and VLF/EM surveys were flown in May through June 1979.
- In 1979, Marline established an operating office in Danville, and in June 1979, exploration drilling was initiated and continued to May 1982. Marline drilled 74 NQ diamond drill core holes (65,082 feet) and 182 (124,799 feet) rotary holes, which were used to delineate NCHD, SCHD, and adjoining properties. Three NQ holes (4,274 ft) were drilled January through March 1984 between the NCHD and SCHD were not available for incorporation into Marline reports or analyses.
- Pursuant to the Marline uranium discovery, the 1981 Virginia General Assembly directed the Virginia Coal and Energy Commission (CEC) to undertake a study of the issue of uranium development in the Commonwealth, and specifically in Pittsylvania County. The CEC commenced its study in April 1981, and created a Uranium Subcommittee in late summer of 1981.
- On October 1, 1981, the Board of Directors of Marline voted to name the uranium mineral deposits at Coles Hill the Swanson Uranium Project in memory of Mr. Alaster G. Swanson, initial president and chief executive officer of Marline. The historical name Swanson appears in some Marline reports produced after October 1, 1981.
- On July 21, 1982, Marline announced, in a press release, discovery of the Coles Hill deposit estimated to contain 30 million pounds of U_3O_8 at an average grade of more than 4 pounds per ton of ore and larger quantities of lower grade resources.
- The Uranium Subcommittee recommended in 1982 that Virginia adopt a statute that would regulate exploration for uranium ore. The recommendation was adopted through passage of Virginia Senate Bill 179, which also prohibited any Virginia agency from accepting permit applications for uranium mining before July 1, 1983, or until a program for permitting uranium mining is established by statute.
- On December 1, 1982, Marline and Union Carbide Corporation (Union Carbide) entered into an agreement, with Union Carbide obtaining an 18-month option on the SCHD to complete a feasibility study by June 1984, with a requirement that the option be exercised within that time frame.
- On February 7, 1983, following the Uranium Subcommittee recommendations, Senate Bill 155 (SB 155) established the Uranium Administration Group (UAG), charged with examination of uranium development "at specific sites in Pittsylvania County."
- On July 13, 1984, UMETCO submitted detailed studies for Marline and Union Carbide related to development of the Coles Hill Deposit.

- In 1985, the Uranium Subcommittee of the CEC and the UAG reported that, "We now conclude that the moratorium on uranium development can be lifted if essential specific recommendations derived from the work of the Task Force are enacted into law."
- In August 1990, Marline abandoned the Coles Hill uranium project. Diamond drill core was donated to the Virginia Museum of Natural History and has been cataloged and carefully stored at the site. Samples used for laboratory tests were shipped to a radioactive disposal site in Colorado and are no longer available. Behre Dolbear and PAC have obtained access to the geochemical data base and to radiometric logs.
- From 1984 until the present time, the CHUP has been studied and reported on by researchers at the Virginia Polytechnic Institute and State University. On September 21, 2001, Dr. James L. Jerden, Jr. submitted a doctoral dissertation in geology to Virginia Tech entitled: "Origin of Uranium Mineralization at Coles Hill, Virginia (USA) and its Natural Attenuation within an Oxidizing Rock-Soil-Ground Water System."

5.1 HISTORICAL DRILLING

The Marline drill program lasted from 1979 through 1984. The first campaign, from 1979 to 1982, consisted of 256 total drill holes (182 rotary percussion [RP] holes and 74 diamond drill holes drilled by Boart Longyear Contracting Services). Of these drill holes, 220 were used to develop the historical resource estimates for the Coles Hill Property, as outlined in the PAH Reports.

- PAH completed resource estimates for the SCHD based on the results from 71 RP holes and 57 diamond core holes, as outlined in the South PAH report.
- PAH completed resource estimates for the NCHD based on the results from 80 RP holes and 12 diamond core holes, as outlined in the North PAH report.
- Another 31 RP holes and five diamond core holes were drilled on the CHUP for exploration purposes.
- Core from all the diamond drill holes was geologically logged, and the mineralized sections were split and sent to Hazen Research for analysis.
- The PAH reports detailed a preliminary model of the SCHD, which was developed using 100-foot-spaced cross sections through the deposit.

From 1979 through 1982, Marline drilled 74 NQ (65,082 feet) and 206 6-inch-diameter rotary-percussion holes. Twenty-four RP holes were drilled outside the present boundary of the CHUP. All previously described core and 182 (124,799 feet) rotary holes were used to delineate the Coles Hill Deposits. Exploration of the CHUP was conducted by Marline and Union Carbide to industry's best practice. A map of drill holes used to define the entire deposit is shown in Figure 5.1, and maps of drill holes used to define the SCHD and NCHD are shown in Figures 5.2 and 5.3, respectively. From January through March 1984 with three NQ holes (4,274 ft) were drilled between the NCHD and SCHD. Data from the holes was not available for incorporation into Marline reports or analyses.

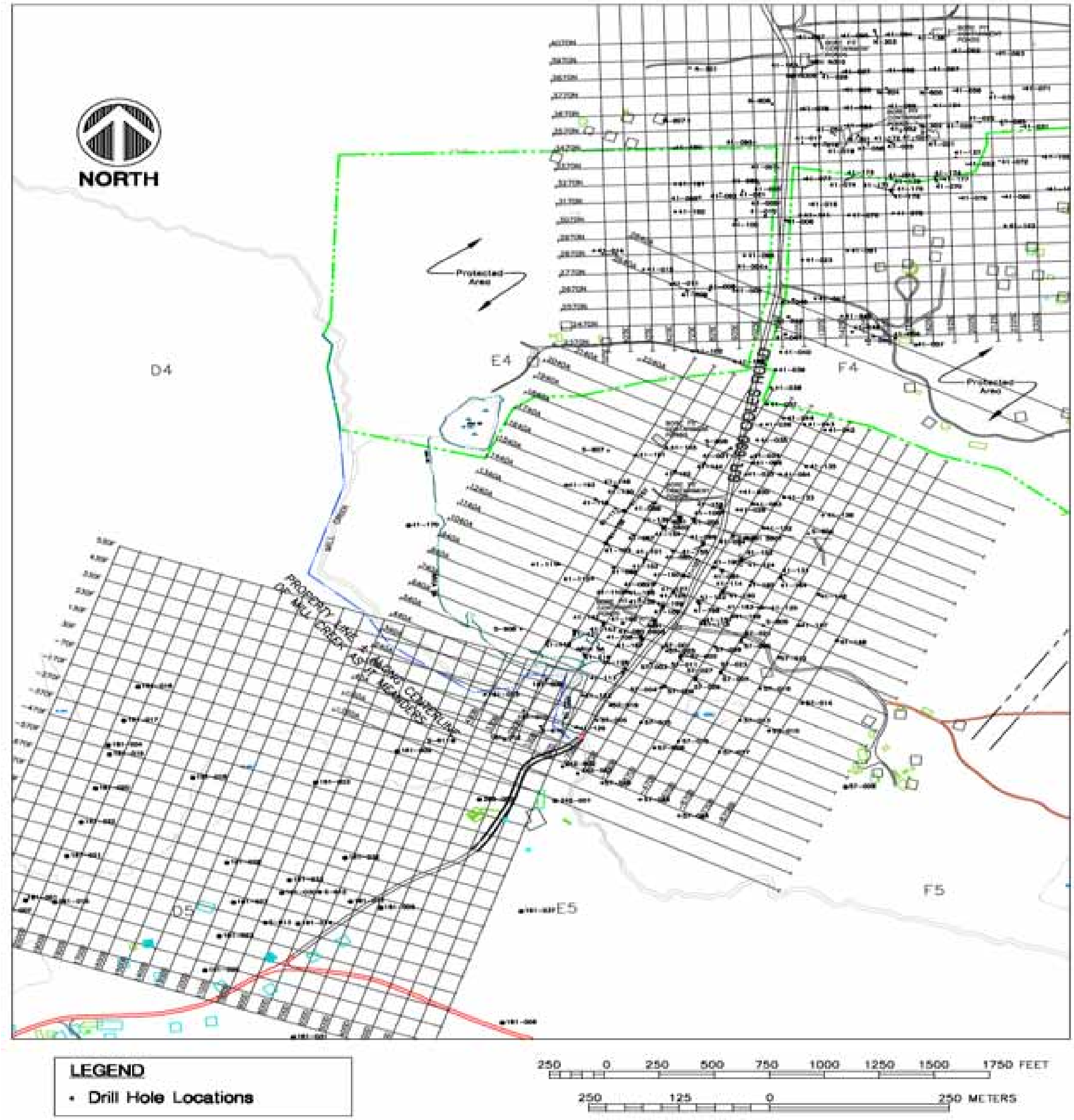

Figure 5.1. Drill holes used to evaluate Coles Hill Uranium Project (CHUP)

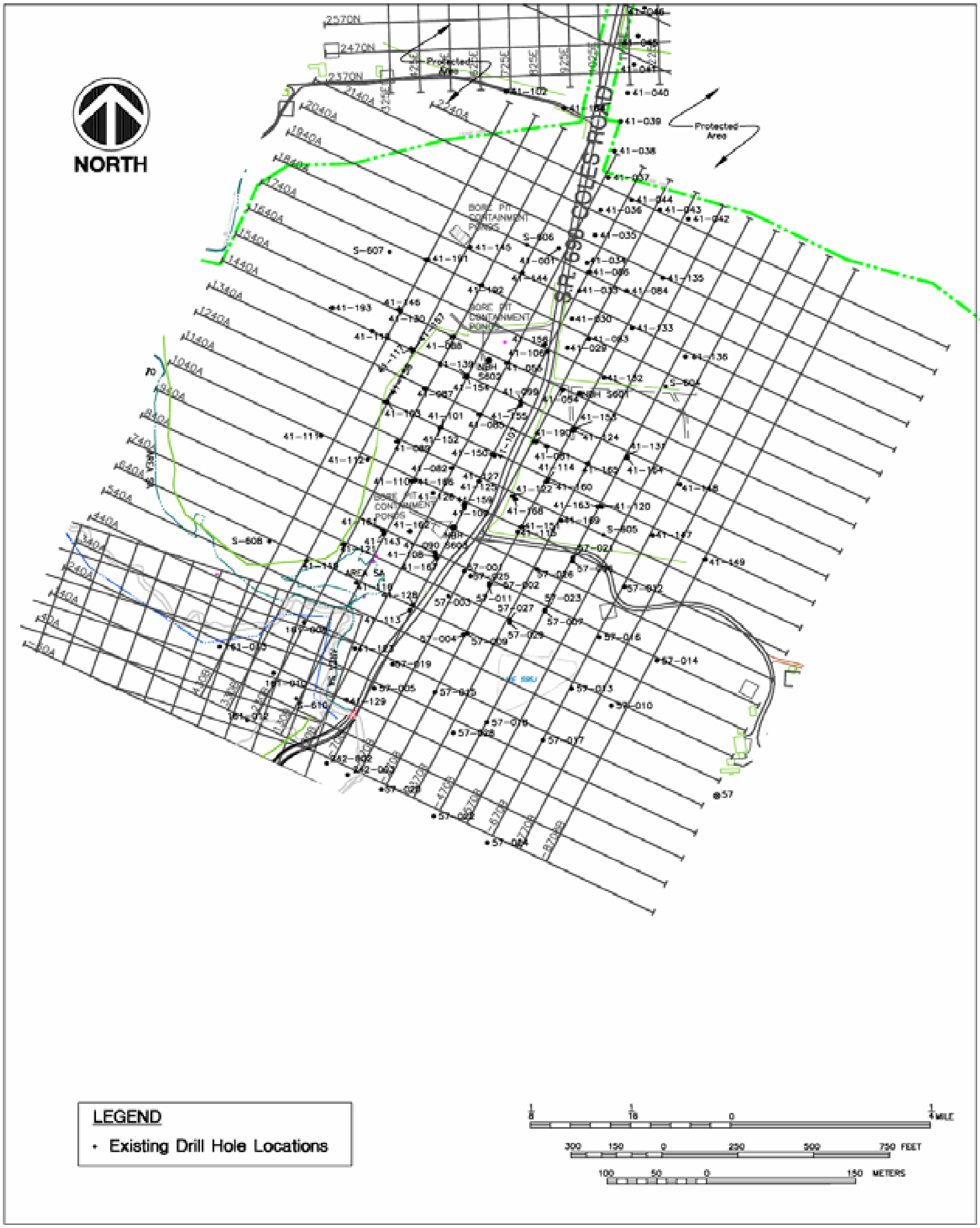

Figure 5.2. Drill holes used to evaluate South Coles Hill Deposit (SCHD)

Figure 5.3. Drill holes used to evaluate North Coles Hill Deposit (NCHD)

Analytical methods, analytical procedure, and sample security were discussed in the historical reports. The core was placed in boxes and stored in sturdy racks in a secured corrugated metal building located immediately west of State Route 690 and about 1 kilometer south of CHUP. PAC and Behre Dolbear toured the CHUP core storage building with Mr. Norm Reynolds, who was the Coles Hill exploration manager for Marline and is currently president of Virginia Uranium. Mr. Reynolds described Marline's procedures (personal communication, 2007) as follows:

> "All core was transported by company truck to a core logging and splitting building. The core was logged with the mineralized sections split and the samples placed in bags that were shipped via commercial truck or Federal Express to Hazen Research, Inc. in Golden, Colorado for analysis. When the company abandoned the project, all core was donated to the Virginia Museum of Natural History, which has maintained the core in excellent condition. All core boxes were well labelled as to hole number and the footage markings are still in place and visible."

The procedures outlined by Mr. Reynolds were consistent with the best industry practices of the time.

5.2 HISTORICAL RESOURCE AND RESERVE ESTIMATES

After completion of grid drilling of the deposit, Marline retained PAH in 1982 to estimate resources for the Coles Hill Uranium Deposit. PAH conducted "reserve" estimates using methodology, categories, and classification acceptable in 1982. The PAH "reserve" estimates are summarized in Table 5.1.

In developing the reserve estimates for the two deposits PAH (1982) used the following method:

> "The measured reserves include material which is within the mineralized outlines and is within 50 feet of a drill hole or is between holes showing continuous mineralization of similar grade up to a distance of 120 feet. The indicated reserves include the balance of the material within the mineralized outlines. To complete the grade information on some sections where drilling is widely spaced, hole information was projected from adjacent sections. The grade information projected was done as discreet grade ranges or as the average of the mineralized column being projected. The selection of the projections was based on a judgment of how well the projections correlated with adjacent material."

PAC is of the opinion that exploration at CHUP was conducted by Marline and Union Carbide to industry best practice standards at the time.

TABLE 5.1
SCHD AND NCHD HISTORICAL "URANIUM RESERVE" ESTIMATES AFTER PAH STUDY (FROM REPORTS TITLED "GEOLOGIC RESERVES COLES HILL SOUTH URANIUM DEPOSIT AND "GEOLOGIC RESERVES COLES HILL NORTH URANIUM DEPOSIT" BY PINCOCK, ALLEN & HOLT, INC., AUGUST 1982)[1]

% U_3O_8 Cutoff	Measured[2]		Indicated[2]		Total[2]		Million Pounds
	Million Tons	% U_3O_8	Million Tons	% U_3O_8	Million Tons	% U_3O_8	
South Coles Hill Deposit (SCHD)							
0.150	3.28	0.232	1.46	0.209	4.74	0.225	21.3
0.125	3.89	0.217	1.78	0.196	5.67	0.210	23.9
0.100	4.76	0.198	3.69	0.154	8.45	0.179	30.2
0.075	5.62	0.180	8.33	0.116	14.0	0.142	39.6
0.050	8.73	0.137	13.0	0.097	21.7	0.113	49.1
0.025	13.3	0.103	16.4	0.085	29.7	0.093	55.2
North Coles Hill Deposit (NCHD)							
0.150	0.557	0.204	0.376	0.225	0.933	0.212	3.96
0.125	1.07	0.170	0.869	0.172	1.94	0.170	6.58
0.100	2.66	0.133	2.97	0.127	5.63	0.130	14.6
0.075	5.30	0.109	6.44	0.104	11.7	0.106	24.9
0.050	11.0	0.085	14.9	0.080	25.9	0.082	42.5
0.025	17.2	0.068	24.7	0.063	41.9	0.065	54.5

[1]Based on the down hole gamma %(e) U_3O_8 equivalents and subsequent confirmation by disequilibrium study
[2]Total tonnage above cutoff grade and average % U_3O_8 of that tonnage

NOTES:
Estimates were reported as reserves but, following CIM guidelines, are considered by PAC to be historical measured and indicated resources requiring verification, a current resource estimate and a current feasibility study. The PAH estimates can only be considered historical resources since no feasibility study was completed on the Coles Hill Uranium Deposit.

PAH used the cross section method with 100-foot-spaced sections. Virginia Uranium has copies of the PAH historical "reserve estimates" as well as the original assay sheets and some details of the estimation methodology. Therefore, PAC cannot verify the resource or whether the resource estimate made prior to NI 43-101 belongs in the measured and indicated resource categories as defined by the CIM.
The historical estimates may not be in compliance with current standards, and should not be relied upon. Virginia Uranium is relying on current estimates presented in Section 15.0.

PAH U_3O_8 estimates in the SCHD varied from about 21 million pounds to about 55 million pounds as the cutoff grade was decreased from 0.150% U_3O_8 to 0.025% U_3O_8. The PAH U_3O_8 estimates for the NCHD varied from about 4 million pounds to about 54.5 million pounds as the cutoff grade was decreased from 0.150% U_3O_8 to 0.025% U_3O_8. Table 5.2 shows UMETCO's resource quantities developed with the preliminary polygon and Kriged models, as well as the modified pit reserves.

TABLE 5.2
HISTORICAL ESTIMATE COMPARISONS, SOUTH AREA

% U_3O_8 Cutoff	PAH, 1982		UMETCO Models, 1984					
			Preliminary Polygon[1]		Final Kriged		Modified Pit Reserves [2]	
	Average % U_3O_8	Pounds U_3O_8 (Million)	Average % U_3O_8	Pounds U_3O_8 (Million)	Average % U_3O_8	Pound U_3O_8s (Million)	Average % U_3O_8	Pounds U_3O_8 (Million)
0.15	0.225	21.3	0.233	16.7	0.213	14.1	0.221	11.2
0.10	0.179	30.2	0.181	24.4	0.160	24.5	0.168	17.9
0.05	0.113	49.1	0.114	38.3	0.103	42.6	0.106	30.9

[1]Preliminary Polygon and Final Kriged models to minus 400 feet elevation (minus 1,000 feet depth)
[2]Modified Pit Reserves model to minus 280 feet bottom elevation above mean sea level (880 feet depth)

NOTES:
Estimates were reported as reserves but, following CIM guidelines, are considered by PAC to be historical measured and indicated resources requiring verification, a current resource estimate and a current feasibility study. The PAH estimates can only be considered historical resources since no feasibility study was completed on the Coles Hill Uranium Deposit.

PAH used the cross section method with 100-foot-spaced sections. Virginia Uranium has copies of the PAH historical "reserve estimates" as well as the original assay sheets and some details of the estimation methodology. Therefore, PAC cannot verify the resource or whether the resource estimate made prior to NI 43-101 belongs in the measured and indicated resource categories as defined by the CIM. The historical estimates may not be in compliance with current standards, and should not be relied upon. Virginia Uranium is relying on current estimates presented in Section 15.0.

An estimate of NCHD resources by UMETCO was not performed.

Virginia Uranium completed NI 43-101 compliant resource estimates found in Section 15.0 (Mineral Resources and Mineral Reserve Estimates) of this report.

6.0 GEOLOGICAL SETTING

6.1 REGIONAL GEOLOGICAL SETTING

The regional geologic setting of the CHUP is derived from Jerden (2001) and Henika's *Geologic Map of the Virginia Portion of the Danville 30 by 60 Minute Quadrangle* (2002). The project area is situated along the northwestern margin of the Chatham Fault Zone, which separates the Danville Triassic Basin (Mesozoic Basin) on the east from structurally deformed and metamorphosed crystalline rocks of the Piedmont physiographic province to the west (Figure 6.1). The Coles Hill uranium deposit is hosted in mylonitic quartzo-feldspathic gneiss of the Leatherwood Granite (440 Ma, Kish et al., 1979), part of the Martinsville Intrusive Suite. In general, gneisses and mica schists of the Fork Mountain Formation and Martinsville Intrusive Suite are mapped as part of the Smith River Allochthon (475 Ma), a thrust-faulted nappe which has transported these formations from their place of origin (Conley and Henika, 1973).

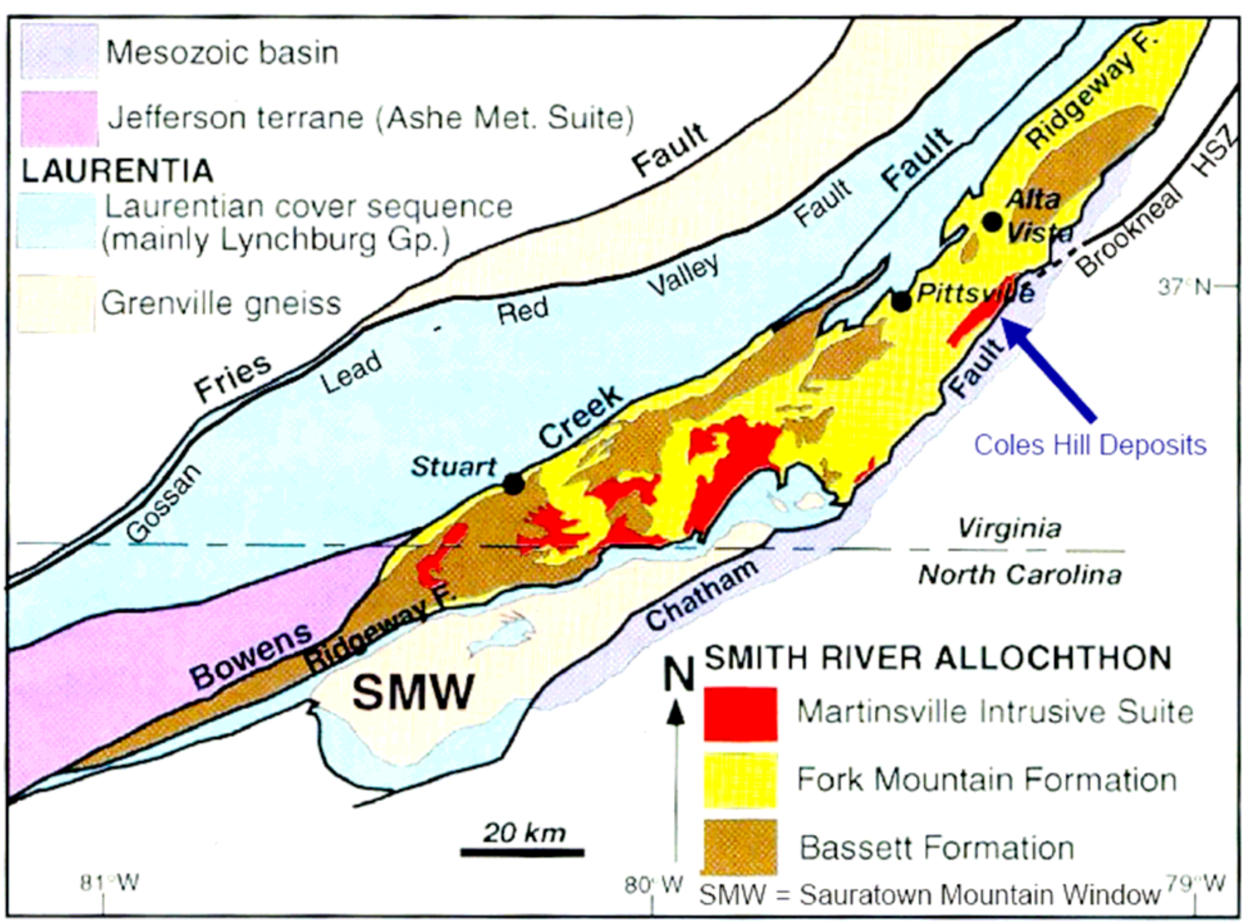

Figure 6.1. Regional geologic and tectonic setting of the CHUP (Modified from Hibbard, et al., 2003)

6.2 STRUCTURAL SETTING AND LOCAL GEOLOGY

The geology of the CHUP deposit was mapped by Marline and Union Carbide geologists, as well as Henika and Thayer (1983) and modified by Jerden (2001). The Chatham Fault Zone, mapped and studied by Lineberger (1983), delineates the normally-faulted northwest margin of the Danville Triassic Basin. According to Jerden, the uranium deposits are hosted within a fault-bounded wedge of late Precambrian-early Paleozoic mylonitic quartzo-feldspathic gneiss with lesser amphibolite, which is found along the northwest side of the Chatham Fault (Figure 6.2).

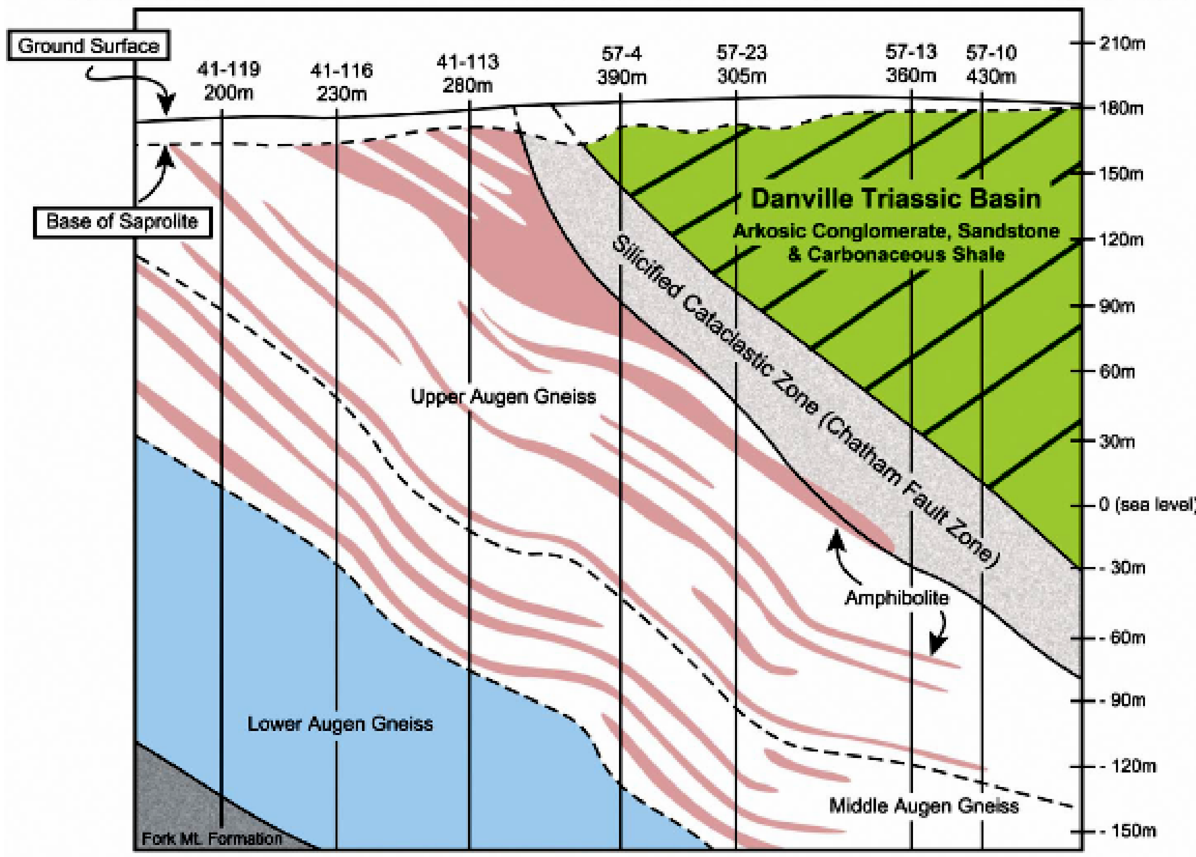

Figure 6.2. Chatham Fault-bounded gneissic wedge which hosts CHUP deposit (Jerden, 2001)

The augen gneiss is most likely a tectonically and hydrothermally altered counterpart of biotite gneiss of the Leatherwood Granite. This fault-bounded wedge shows evidence of hydrothermal events and alteration characterized by sodium metasomatism, chloritization, argillization, and hematization, with associated uranium mineralization. The Leatherwood Granite is bounded on the west by schist and gneiss of the Fork Mountain Formation (Henika, 1998; revised 2002).

6.3 DEPOSIT TYPES

The CHUP is a hydrothermal, fracture-hosted deposit, with tectonic events related to the Chatham Fault Zone allowing transport of hydrothermal solutions, alteration, and associated uranium mineralization. Chemical and mineralogical changes in the host gneiss and amphibolite resulted in areas of apatite enrichment, chloritization, and hematization. Oxygen depletion and resultant redox reactions from hematization of iron in magnetite and other mafic minerals neutralized uranium-transporting solutions, allowing for deposition of uranium-bearing minerals. The increased hematite and lowered magnetite content is reflected in anomalously low magnetic signatures for the Coles Hill Deposits.

In Dahlkamp (1993), the Coles Hill deposit is classified as Type 3, Class 3.1.1, which is an intragranitic vein deposit, having veins formed within the intrusion. Host rock criteria include highly differentiated leucogranitic rocks of crustal origin, and structural vein control by commonly one or more parallel oriented dilational fracture systems.

The uranium deposition mechanism at Coles Hill is similar to that in the Athabasca Basin, as indicated by the presence of alteration minerals hematite, epidote, and chlorite. The deposition mechanism in the Athabasca Basin has produced significant-grade uranium mineralization, which might also occur in the untested deeper parts of the Coles Hill Deposits.

7.0 MINERALIZATION

7.1 TYPE OF HOST

Uranium mineralization in the Cole Hill Uranium Property is hosted by three separate textural rock types. These three textural types are: (a) hematitic and mylonitic Leatherwood Granite (Figure 7.1), (b) hematitic amphibolite intrusive into Leatherwood Granite (Figure 7.2), and (c) densely fracture-filled Leatherwood Granite. All of the hosted rock types are found west of the Chatham Fault Zone.

Figure 7.1. Hematitic and mylonitic Leatherwood Granite

Figure 7.2. Hematitic amphibolite

At Coles Hill, one of the host rocks is mylonitized orthogneiss with depleted quartz and structurally controlled Na-metasomatism as albitization along the Chatham fault zone. Uranium is associated with hydrothermally filled fractures and veinlets as rims on and/or rimmed by apatite, chlorite, barite, titanium oxide, hematite, calcite, and pyrite. These are well represented as rims and veinlets in two examples as noted in photomicrographs such as in Figure 7.3, pyrite, titanium oxide, and uranium association and Figure 7.4 apatite, titanium oxide, chlorite, and uranium association.

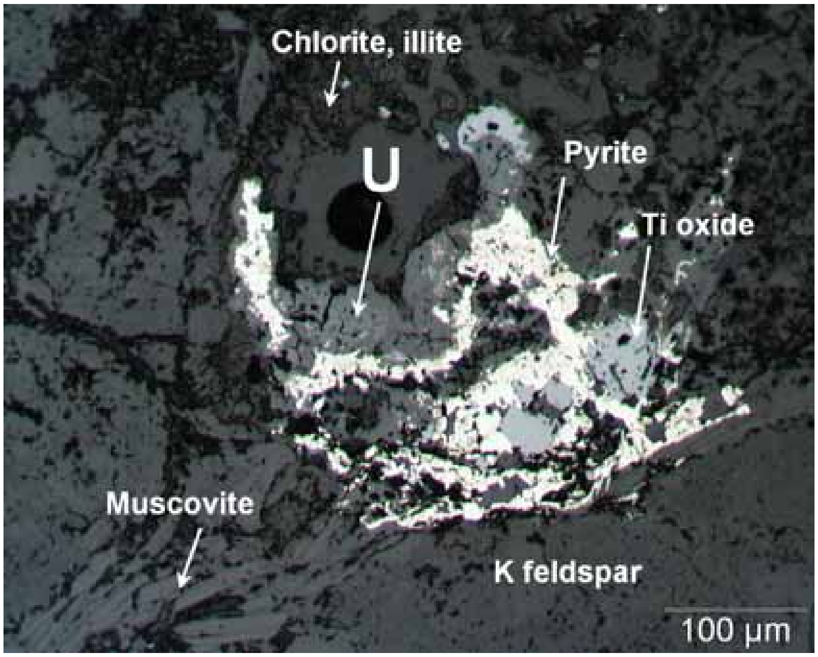

Figure 7.3. Reflected light: Uranium minerals are developed on pyrite and titanium oxide, and associated with chlorite.(S-602, 505 to 508 feet)

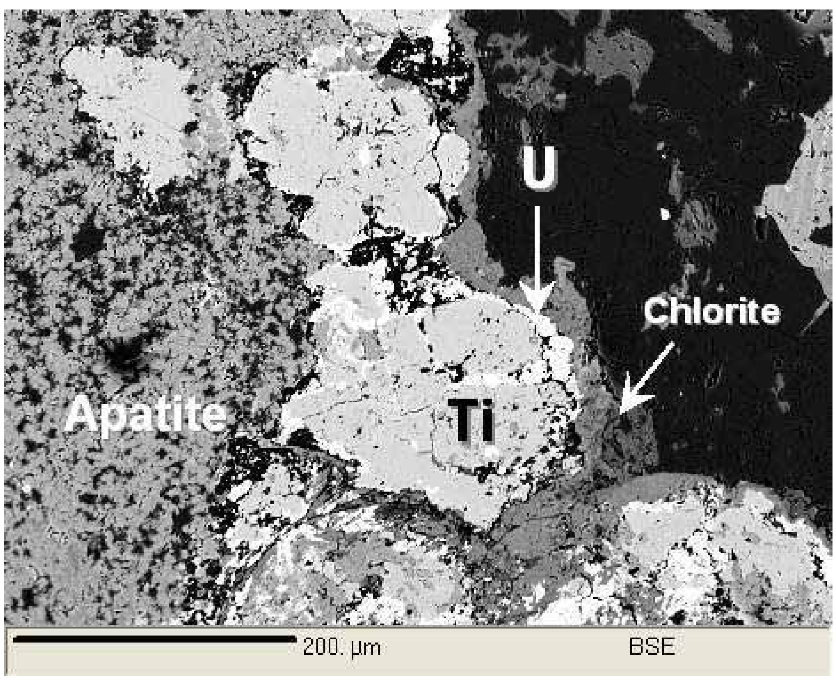

Figure 7.4. Microprobe, backscatter electrons: Titanium oxides are rimmed and impregnated by Uranium and associated with apatite and chlorite (S-603, 282.3 to 283.0 feet)

7.2 MINERALS

Uranium minerals identified by Klemm and Wagner (1980) are pitchblende, coffinite, and uraninite. The uranium high-grade shell is concentrated in an ellipsoidal pod or lense, that plunges south at 45° and occurs from the surface to at least 1,500 feet. As determined by downhole mapping, the regional foliation of the Leatherwood Granite gneiss is approximately N30°E, dipping at 45°SE, subparallel to the Chatham Fault.

7.3 EQUILIBRIUM

Uranium is defined to be in a state of equilibrium when sufficient time has elapsed for the full series of daughter products of the decay of uranium to have formed. A state of disequilibrium may occur when uranium is mobilized and moved from its original position – most commonly by invasion of oxidizing solutions. The state of equilibrium may be determined by comparing ‘chemical’ assays of uranium to natural gamma radiation from gamma ray emitting daughter products. In practice, this is stated as chemical divided by radiometric equivalent (c/e). A state of equilibrium would be described as c/e = 1.

Behre Dolbear and PAC have reviewed the results of the limited examination of core data and concur with an assumption that the primary uranium mineralization is close to equilibrium in the area reviewed. The possibility of the occurrence of zones out of equilibrium exists.

8.0 EXPLORATION

The CHUP was extensively explored by Marline from 1978 through 1984, and the South Coles Hill Deposit was further explored by a Marline and Union Carbide Joint Venture from 1982 to 1984. Exploration included ground and airborne radiometric surveys and geological mapping that defined targets for an extensive drill program. Descriptions of the preliminary exploration and definition drilling were made available to Behre Dolbear and PAC for review (see Section 5.0 for details of exploration by former operators and Section 12.0 for data verification).

Virginia Uranium conducted a drilling program (see Section 9.0 for details and results) from December 2007 to March 2008 during which three core and seven rotary holes were drilled for confirmation and delineation.

9.0 DRILLING

Drill information pertinent to the Coles Hill Deposits is based on both the historical Marline drilling done in the 1980s (see Section 5.1) and recent drilling by Virginia Uranium (Table 9.1).

Historical Marline geophysical data were verified by re-entering five historical vertical holes using rotary percussion (RP). The holes selected for re-drilling were located in the North Deposit (41-19, 41-21, 41-138, and 41-183) with one in the South Deposit (41-145) and drilled with rotary percussion. The holes were re-logged with modern geophysical probes using Century Geophysical equipment from MM&A. Three of the holes were also re-logged using Schlumberger geophysical probes that included a spectral gamma probe.

The 2008 Virginia Uranium drilling program results established that old drill holes can be re-entered to perform directional surveys. The surveys establish the position of mineralization allowing increased confidence in resource estimates. The recent drilling program verified historical drilling results and some portions of previously delineated resources. Locations of the re-drilled and re-entered holes are shown in Figures 9.1, 9.2, and 9.3.

The true thickness of mineralization is unknown since the orientation of the mineralization is unknown. Mineralization is controlled by fractures and structure of variable orientation, so the direction of true thickness of mineralization is not known with certainty.

Three vertical core holes were also drilled and logged in the SCHD. A summary of the Virginia 2007-2008 drilling program is summarized in Table 9.1.

TABLE 9.1
VIRGINIA URANIUM DRILLING SUMMARY
(INTERCEPTS WITH GRADE GREATER THAN 0.1% OVER A 2 FOOT INTERVAL)

Hole	Location	Total Depth Drilled (feet)	Intercepts			
			From (feet)	To (feet)	Interval[1] (feet)	% eU_3O_8[2]
41-19	NCHD	1,437	62.0	65.0	3.0	0.129
		Re-entered	88.5	93.0	4.5	0.135
			95.0	97.5	2.5	0.110
			106.5	109.0	2.5	0.122
			115.5	121.5	6.0	0.123
			123.5	127.0	3.5	0.155
			131.0	135.0	4.0	0.167
			137.5	147.0	9.5	0.158
			164.0	169.0	5.0	0.144
			177.0	186.5	9.5	0.114
			188.5	191.5	3.0	0.109
			193.5	197.0	3.5	0.111
			211.5	214.0	2.5	0.121
			216.5	227.5	11.0	0.204
			460.0	470.5	10.5	0.394
			494.0	513.5	19.5	0.209
			689.0	692.0	3.0	0.195

TABLE 9.1 VIRGINIA URANIUM DRILLING SUMMARY (INTERCEPTS WITH GRADE GREATER THAN 0.1% OVER A 2 FOOT INTERVAL)						
Hole	**Location**	**Total Depth Drilled (feet)**	**Intercepts**			
			From (feet)	**To (feet)**	**Interval[1] (feet)**	**% eU_3O_8[2]**
41-21	NCHD	1,510	14.0	20.5	6.5	0.121
		Re-entered	22.5	25.5	3.0	0.179
			40.5	42.0	1.5	0.131
			45.0	46.5	1.5	0.153
			84.0	86.0	2.0	0.134
			523.0	525.0	2.0	0.123
			526.5	530.0	3.5	0.178
			586.5	596.5	10.0	0.190
			603.5	611.5	8.0	0.145
			686.0	687.5	1.5	0.142
			1,034.0	1,036.5	2.5	0.117
			1,040.0	1,042.0	2.0	0.116
41-138	NCHD	1,500 Re-entered	No intercepts > 0.025% (% eU_3O_8)			
41-183	NCHD	200	Obstructed at 200' – Shut down			
N-309	NCHD	1,095	91.5	95.5	4.0	0.107
		RP offset of 41-183	98.5	104.0	5.5	0.154
			106.5	114.5	8.0	0.132
			136.0	151.5	15.5	0.158
			158.0	167.5	9.5	0.108
			248.5	255.0	6.5	0.131
			315.5	322.0	6.5	0.124
N-310	NCHD	1,510	69.0	72.5	3.5	0.118
		RP offset of 41-183	93.5	113.0	19.5	0.155
			126.5	129.5	3.0	0.109
			136.0	138.0	2.0	0.118
			147.5	150.0	2.5	0.110
			154.5	157.5	3.0	0.119
			159.5	164.0	4.5	0.123
			171.5	174.0	2.5	0.114
			182.5	184.5	2.0	0.111
			277.5	285.0	7.5	0.199
			330.5	332.5	2.0	0.114
			334.5	338.0	3.5	0.218

TABLE 9.1
VIRGINIA URANIUM DRILLING SUMMARY
(INTERCEPTS WITH GRADE GREATER THAN 0.1% OVER A 2 FOOT INTERVAL)

Hole	Location	Total Depth Drilled (feet)	Intercepts			
			From (feet)	To (feet)	Interval[1] (feet)	% eU_3O_8[2]
41-145	SCHD	1,506	25.0	52.5	27.5	0.189
		Re-entered	113.5	130.0	16.5	0.304
			133.0	175.0	42.0	0.122
			177.0	189.5	12.5	0.126
			191.0	194.0	3.0	0.102
			201.5	221.0	19.5	0.156
			272.0	274.5	2.5	0.112
S-601	SCHD	1,503	211.5	214.0	2.5	0.224
		Core	307.0	309.0	2.0	0.110
			322.0	325.5	3.5	0.140
			329.0	331.0	2.0	0.192
			344.5	351.5	7.0	0.137
S-602	SCHD	1,504	70.0	74.5	4.5	0.119
		Core	105.5	109.5	4.0	0.187
			117.0	122.0	5.0	0.155
			127.5	130.0	2.5	0.114
			335.5	339.5	4.0	0.258
			344.0	346.5	2.5	0.422
			348.5	357.0	8.5	0.195
			366.0	372.0	6.0	0.221
			377.0	378.0	1.0	0.143
			420.0	421.5	1.5	0.161

TABLE 9.1
VIRGINIA URANIUM DRILLING SUMMARY
(INTERCEPTS WITH GRADE GREATER THAN 0.1% OVER A 2 FOOT INTERVAL)

Hole	Location	Total Depth Drilled (feet)	Intercepts			
			From (feet)	To (feet)	Interval[1] (feet)	% eU_3O_8[2]
S-603	SCHD	1,503	253.5	255.0	1.5	0.197
		Core	261.0	265.5	4.5	0.242
			267.5	279.0	11.5	0.368
			282.0	298.0	16.0	0.198
			309.0	320.0	11.0	0.362
			391.0	394.5	3.5	0.153
			396.0	402.5	6.5	0.214
			458.5	471.5	13.0	0.149
			501.5	509.5	8.0	0.154
			584.0	589.0	5.0	0.284
			593.5	607.5	14.0	0.215
			610.5	635.5	25.0	0.133
			655.0	660.5	5.5	0.126
			665.5	666.5	1.0	0.108
			671.5	673.5	2.0	0.101
			679.0	685.0	6.0	0.112
			692.5	699.5	7.0	0.163
			751.0	752.0	1.0	0.115
			763.5	766.5	3.0	0.178
			838.5	840.5	2.0	0.212
			864.5	872.0	7.5	0.121
			875.5	878.5	3.0	0.112
Total Depth =		**13,268**				
Percussion Holes =		8,758				
Core Holes =		4,510				

[1]Intercept length, uncorrected to true depth and thickness
[2]Radiometric equivalent from down hole natural gamma log

The 2008 Virginia Uranium drilling program results established that old drill holes can be re-entered to perform directional surveys. The surveys establish the position of mineralization so resource estimates are more accurate and therefore can increase the level of confidence. The Virginia Uranium 2008 drilling program also validated historical drilling results and previously delineated resources. Locations of the re-drilled and re-entered holes are shown in Figures 9.1, 9.2, and 9.3.

A significant number of 220 drill holes used to define resources, both diamond drill and reverse circulation, were collared to test the mineralization with an orientation orthogonal to the trend of the mineralization. The reported mineralized drill intercept length of any individual hole may or may not represent true thickness, depending on the attitude of the drill hole. See Figure 15.1 (page 65) for a Plan View of the deposit, and Figures 15.2 and 15.3 for representative vertical cross-sectional views. The uranium mineralization is concentrated in ellipsoidal pods or lenses with a strike of N30°E, dip at 45°SE and which plunge south at 45°. The mineralization occurs from the surface and goes to at least 1,500 feet vertical depth.

The general true thickness is inherent in the model because the model is based on a geological correlation of the actual three-dimensional mineralized intercepts. Geostatistics and search parameters are applied to estimate only the model blocks encapsulated within this defined geometry. At Coles Hill, the general true thickness direction as shown by the model approximates the steeply plunging axis of the search ellipsoid, orthogonal to the regional strike and dip direction of planar structures in the rocks, which was corroborated by the geostatistical analysis. True thickness direction on a more detailed scale would be expected to be more variable than for the deposit as a whole, and this deposit, in particular, is also more likely to have variable true thickness orientations than other deposits which have uniform stratigraphic or structural boundaries.

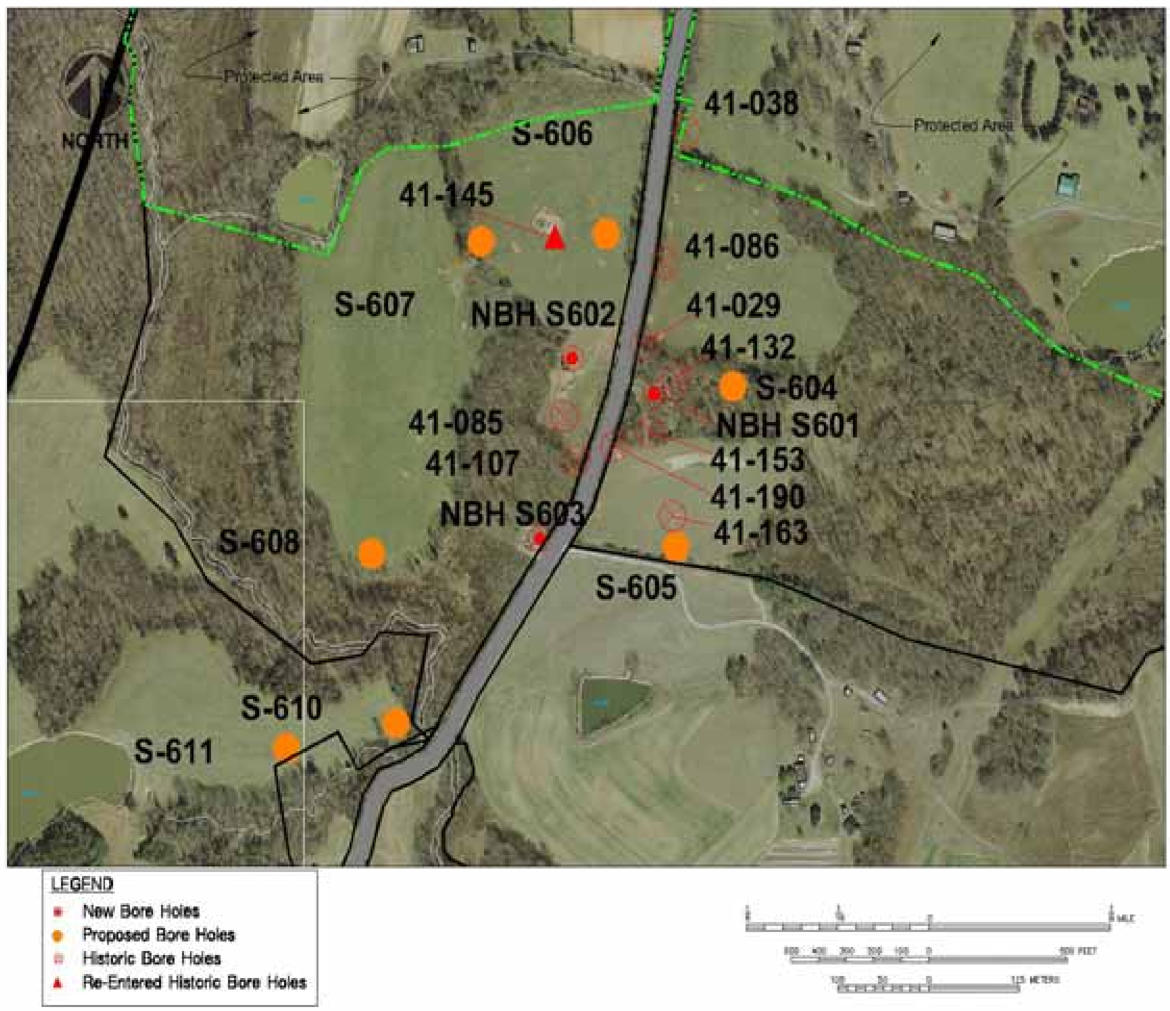

Figure 9.1. Drill hole locations, South Coles Hill Deposit (SCHD)

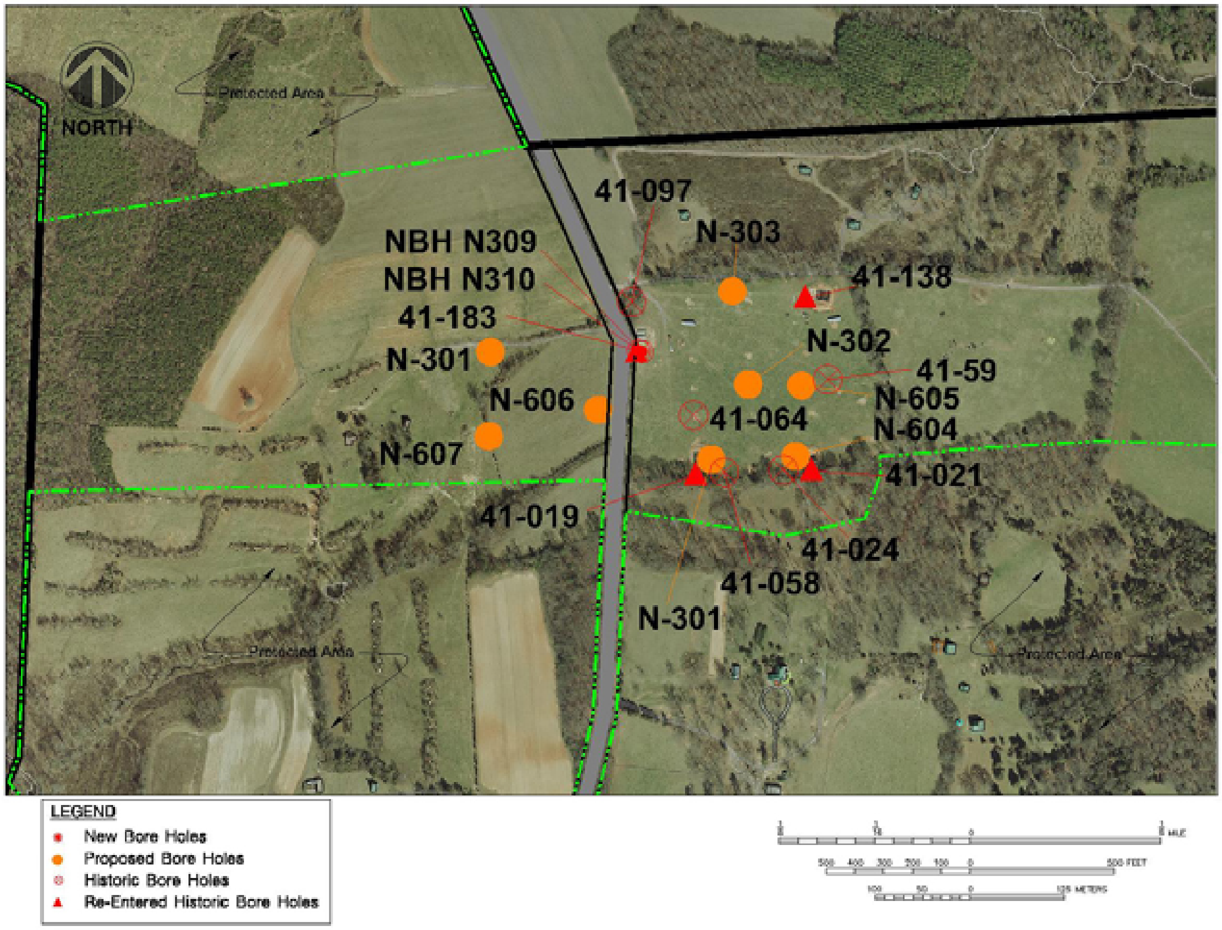

Figure 9.2. Drill hole locations, North Coles Hill Deposit (NCHD)

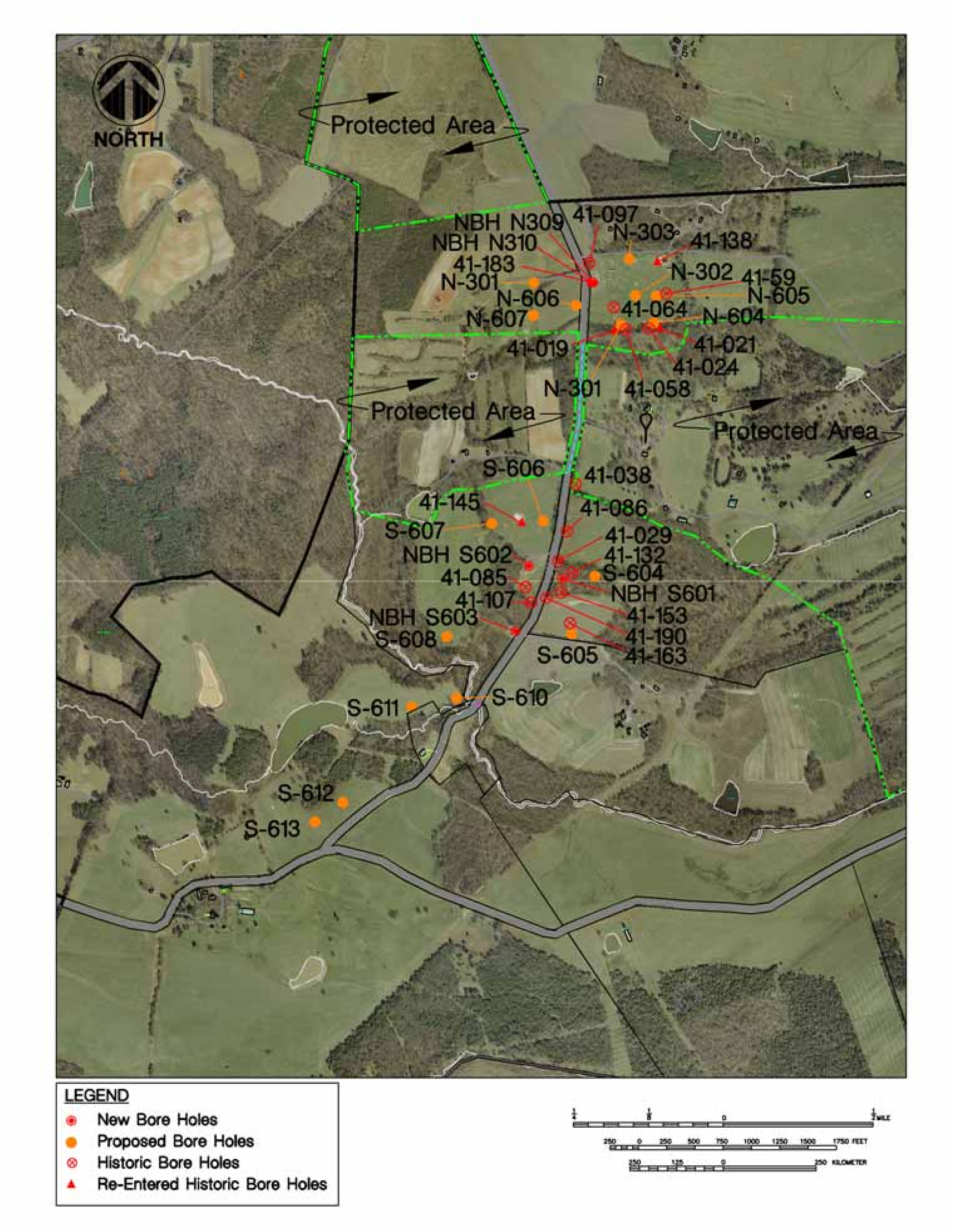

Figure 9.3. Planned drill hole locations, overall, Coles Hill Uranium Deposit (CHUD)

10.0 SAMPLING METHOD AND APPROACH

10.1 SURFACE SOIL SAMPLING

The discovery outcrop is the only radioactive exposure on the CHUP and the only surface site sampled by PAC in 2006. Oxidizing near surface conditions generally remove uranium from saprolite horizons of surface soils and weathered rock, but recent road work exposed a small area of less oxidized and weathered material that retained a substantial uranium value.

PAC collected soil sample 0364 from the discovery outcrop on Coles Hill Road on the CHUP February 23 and 24, 2006. The sample was collected in a north-south direction and consisted of 2 kilograms of chips of saprolitic altered gneissic rock. The sample was located at GPS station with UTM coordinates of 17S 0651224N and 4082143E in the westerly drainage ditch along State Route 690 near the main entrance to the Coles Hill Manor house.

The sample was placed in a plastic sack, secured and delivered by PAC to ACME Laboratory in Vancouver, British Columbia, an ISO 9001 Accredited Laboratory for Inductivity Coupled Plasma – Mass Spectrometry (ICP-MS) and uranium analysis. The soil sample contained 1,516.8 ppm uranium by ICP-MS.

10.2 DRILL HOLE SAMPLING

Virginia Uranium sampling procedure was established with input from Behre Dolbear, MM&A, and PAC. The sampling and security was strictly organized and maintained because of the radioactive nature of the commodity. The general procedural guidelines include:

- Maintain full time chain of custody for all samples;
- Emphasize consistency between samples, geologist, technicians and contractors:
    1) Use standard forms for Driller's Daily Log, Core Box and Assay Checklists; and
    2) Standard Rock Classifications, Lithologic Log Sheets, Chain of Custody, and Training Sign-off Sheets;
- Double check recording and entry of data; and
- Use electronic data entry procedures.

All RP and core holes in 2008 were drilled in a vertical orientation. All core from the core holes was collected in 10 ft intervals from a 10 ft core barrel. Downhole geophysical gamma measurements were continuous and indicate a continuous apparent thickness of mineralization. Core was sampled in 1ft intervals for chemical assay and handheld scintillometer readings were compared to downhole geophysical depths.

The 2008 drilling campaign was intended to confirm the results of the historical Marline drilling program from the 1980's that was in 100 ft spacing. The entire area covered during the 2008 drilling campaign was 20 acres. Of this area, the SCHD had an exploration coverage area of 10 acres that encompassed three core drill holes and one RP hole. The average distance between the 2008 drilled core holes in the SCHD was 500 ft. The NCHD had an exploration coverage area of 10 acres that was comprised with six RP holes of an average spacing of 500 ft.

Core drilling recovery factors exceeded 95% and did not materially impact the accuracy and reliability of the results. Sample quality was excellent due to extremely high core recovery and they are believed to be representative since handheld scintillometer results compared favorably to downhole geophysics and chemical assay results. The one foot sample intervals were found to be representative for chemical assay results. A two-foot maximum deviation between core and geophysics was found and could be easily adjusted for depth. No other factors are believed to have resulted in sample biases.

Mineralization was found in granite and amphibolite rocks. The one-foot sampling interval was chosen to differentiate between the rock types and mineralized sections that were detected with a handheld scintillometer. The widths of mineralized zones varied. No mineralization was found in the Triassic rocks or Fork Mountain Schist.

11.0 SAMPLE PREPARATION, ANALYSIS, AND SECURITY

A compendium of operating procedures titled "Virginia Uranium, Inc. Standard Operating Procedures for Uranium Exploration Program in Pittsylvania County, Virginia" was prepared on December 7, 2007 with updates and was followed by Virginia Uranium. A copy of the procedures is available on request from the Virginia Uranium office. The procedures have been reviewed and approved by Behre Dolbear.

The sample preparation, analysis, and security procedures are defined in the Standard Operating Procedures document and include the following elements:

- General Procedural Guidelines include physical sample and data handling standards that provide an audit trail from point of collection through laboratory analysis and storage.
- Roles and responsibilities are detailed for the Qualified Person/geologist, driller, Virginia Uranium geologist, and the laboratory technician.
- Chain of custody methods and documentation for sample security are specified.
- Site radiological survey to determine background radiation is defined.

During the 2008 drilling campaign, all aspects of the sample preparation was conducted by an employee, officer, director, or associate of Virginia Uranium using standard operating procedures approved by Behre Dolbear under the direction of Norman Reynolds, President & CEO, and Joseph Aylor, Chief Geologist for Virginia Uranium.

For the 2008 drilling campaign, one foot lengths of core were split, bagged and labeled. Samples were always kept secured in a locked area or under direct supervision of Virginia Uranium employees. They were then shipped via express delivery with a chain of custody to Energy Laboratory Inc. (Energy Labs) of Casper, Wyoming. The Energy Labs comprehensive QA/QC program meets or exceeds the rigorous criteria established by the United States Environmental Protection Agency (EPA) and State Agencies (where applicable). Energy Laboratories is certified under the Safe Drinking Water Act by Region VIII EPA, and the States of Idaho, Montana, Nevada, North Dakota, South Dakota, Washington, and Wyoming. Samples received at Energy Laboratories are under a strict monitoring and tracking system from log-in to completion. Samples are logged in immediately upon receipt and are carefully checked for any special handling that may be needed. All analytical procedures, sample handling, and preservation techniques are EPA approved (where applicable) and strictly adhered to. Energy Labs duplicates every tenth sample to measure and control the precision of work. Where applicable, Energy Labs also spikes every tenth sample to test accuracy. Reference samples from the EPA or from private sources are tested by the laboratory with every set of samples to provide a third measure of the performance of equipment and personnel.

Information on Energy Labs accreditations and certifications can be found on the Energy Labs website. Where possible, Energy Labs uses EPA, ASTM, APHA, NIOSH, OSHA, or published analytical methods and follows the procedures with strict adherence to described protocol and recommended QA/QC parameters. Actual method operating procedures are described in the Standard Operating Procedures Manual, and are available for review at the laboratory. Details can be found at: http://www.energylab.com/QualityControlList.asp?branch=Casper. The Energy Labs Quality Manual and related quality documentation meets requirements of the National Environmental Laboratory Accreditation Program (NELAP) and American Association of Laboratory Accreditation (A2LA) standards.

The detailed uranium and closed can gamma procedures used by Energy Labs are as follows: both closed can gamma and chemical analysis splits require drying @ ~105°C for >16 hours in a convection oven followed by grinding via a plate pulverizer to -100 mesh. Approximately 200 grams of ground core are required for the closed-can gamma analysis and this mass is placed in a 3” diameter × 1” tall soils tin, which is then sealed with electrical tape. A minimum 15 day in growth interval is employed to establish secular equilibrium between ^{226}Radium and the gamma emitting daughter of interest, ^{214}Bismuth. As radon emanation studies have repeatedly demonstrated that a maximum of only 30% of ^{222}Rn can be removed from a soils matrix using somewhat extreme techniques, the 15-day period ensures at least a 98% complete ingrowth of ^{214}Bi. “Closed Can” uranium analysis works on the premise that, in a particular ore body, the activities of ^{238}U and ^{226}Ra will be in secular equilibrium being that the half-life of uranium is much greater than that of ^{226}Ra. Once the can is sealed with the sample contained, conditions are ideal for attaining secular equilibrium between ^{226}Ra, ^{222}Rn, and ^{214}Bi, which is quantified using a 2 inch NaI detector at the ^{214}Bi 609 Kev energy region. Since ^{238}U is the only possible source of ^{226}Ra, the specific activity of ^{238}U is applied to the tested activity of ^{226}Ra to determine the total uranium concentration. The efficiency of the counting system is determined using certified ^{226}Ra standards in the same geometry and density as the canned core samples. The official method identification used in data reporting, is EPA-901.1.

Chemical analysis preparation is conducted on a strong mineral acid digest of the dried and ground core using preparation technique SW3050. After drying, grinding, and blending, a 1-gram subsample is taken and delivered to a digestion vessel. Fifty percent nitric acid is added to the vessel (50 ml centrifuge tube) and the vessel is loosely sealed and heated in a water bath @ 95°C for >16 hours. Following the heating period, the volume is adjusted to a known level, typically 50 ml. Uranium analysis (and other metals) is performed on the solution by Inductively Coupled Argon Plasma (ICP) emission spectroscopy against certified commercial standards (such as EPA Method -200.7/200.8/SW6010).

Quality control measures were employed to check assay and other check analytical and testing procedures as required by certification requirements and company procedures. Select sample duplicates were sent directly from Energy Labs to Saskatchewan Research Council (SRC) in Saskatoon, Saskatchewan, Canada for external confirmation of the results. SRC has the following certifications: ISO/IEC 17025:2005 accredited by the Standards Council of Canada (scope of accreditation #537). The laboratory also participates in regular inter-laboratory tests. Details related to the SRC laboratory can be found at: http://www.src.sk.ca/html/labs_facilities/geo_labs/uranium/index.cfm.

No corrective actions were reported to have been taken by either Energy Labs or SRC related to the 2008 drilling campaign sample analyses. The uranium values obtained by Energy Labs were confirmed by sending via Chain of Custody control a random group of samples that covered three grade ranges of interest to SRC for check assays. The results of these confirmatory tests are shown in Table 12.2 and Figure 12.4. “Blind” standards (spikes), blanks, and duplicates performed by Energy Labs were spot checked by Behre Dolbear. Behre Dolbear believes the sample preparation, security, analytical procedures, and results during the 2008 drilling campaign were adequate and properly documented.

12.0 DATA VERIFICATION

12.1 SOIL SAMPLE

PAC's soil sample contained 1,516.8 ppm uranium and confirmed the location of the Discovery Outcrop. A scintillometer also gave a strong response at the Discovery Outcrop. The sample was secured and delivered by PAC to Acme Analytical Laboratories in Vancouver, British Columbia for uranium determination using Group 1EX with 0.25 gram sample digested with $HClO_4$-HNO_3-HCl-HF and analysis by ICP-MS.

12.2 VIRGINIA URANIUM DRILL HOLE RESULTS

Significant results from the Virginia Uranium samples sent for chemical assay to Energy Labs from holes S-601, S-602, and S-603 are provided in Table 12.1. Graphs of the chemical assays and down hole gamma data for three core holes are shown in Figures 12.1, 12.2, and 12.3.

TABLE 12.1
RESULTS OF 2008 CORE HOLES
(S-601, S-602, AND S-603)

Grade Level	Drill Hole	Interval	% U_3O_8	
			Chemical	Radiometric
Med	S-601	189	0.113	0.035
		208-215	0.141	0.075
		287-410	0.072	0.049
Med	S-602	55-168	0.068	0.061
		329-420	0.125	0.087
High	S-603	246.5-333	0.317	0.157
		385.5-510	0.078	0.054
		579.5-878	0.083	0.068

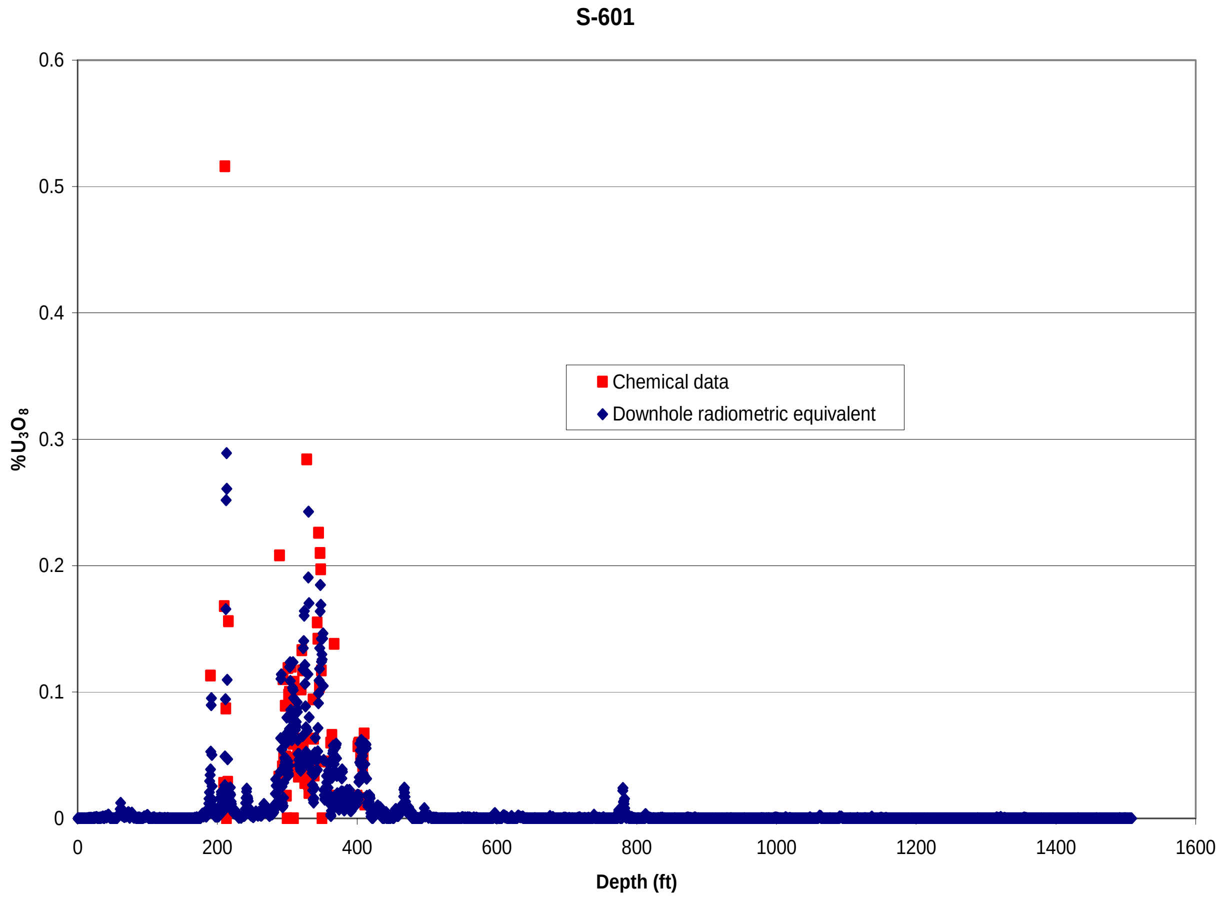

Figure 12.1. Chemical assays for drill hole S-601 from Energy Labs and radiometric equivalent from MM&A

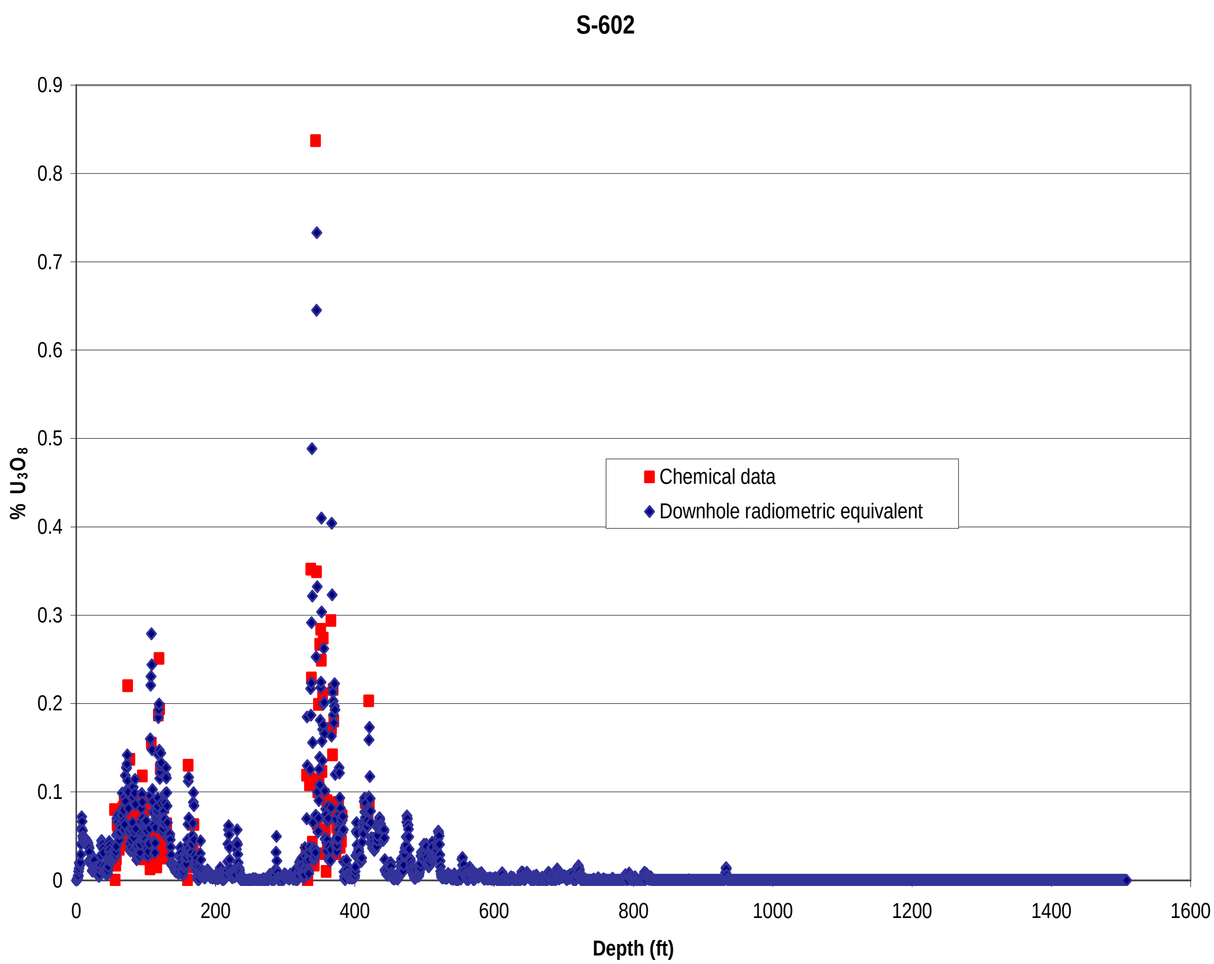

Figure 12.2. Chemical assays for drill hole S-602 from Energy Labs and radiometric equivalent from MM&A

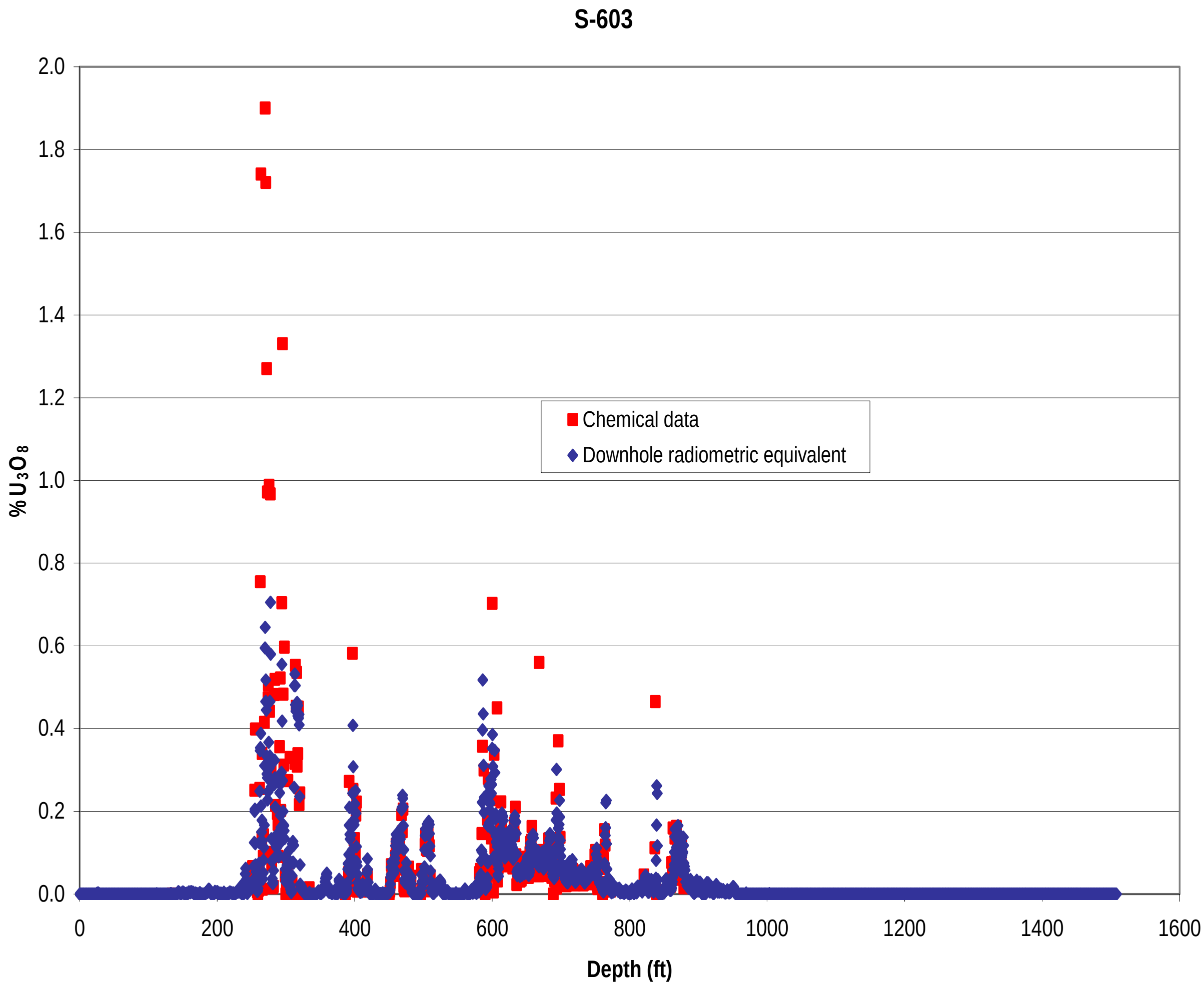

Figure 12.3. Chemical assays for drill hole S-603 from Energy Labs and radiometric equivalent from MM&A

Of the Energy Labs samples, the samples shown in Table 12.2 were sent to Saskatchewan Research Council (SRC) for confirmatory results. Both Energy Labs and the SRC are certified testing laboratories.

TABLE 12.2
CHEMICAL TEST RESULTS OF SELECTED SAMPLES FROM ENERGY LABS AND SRC

	Hole	Beginning Depth	Ending Depth	Energy Labs wt % U_3O_8	SRC Geoanalytical Laboratories wt % U_3O_8
1	S-601	189	190	0.113	0.088
2	S-601	299	300	0.000	0.00
3	S-601	319	320	0.102	0.095
4	S-601	344	345	0.226	0.217
5	S-601	408	409	0.049	0.051
6	S-602	54	55	0.080	0.068
7	S-602	74	75	0.097	0.082
8	S-602	105	106	0.013	0.012
9	S-602	125	126	0.082	0.074
10	S-602	340	341	0.020	0.017
11	S-602	341	342	0.017	0.015
12	S-602	364	365	0.088	0.092
13	S-602	419	420	0.203	0.197
14	S-603	246.5	247.5	0.037	0.000
15	S-603	265.5	266	0.012	0.000
16	S-603	283	284	0.519	0.252
17	S-603	302	303	0.274	0.118
18	S-603	310	311	0.000	0.000
19	S-603	402.5	403	0.222	0.237
20	S-603	464.5	465.5	0.115	0.120
21	S-603	501.5	502.5	0.121	0.133
22	S-603	582.75	584	0.036	0.017
23	S-603	602	603	0.338	0.283
24	S-603	621	622	0.122	0.127
25	S-603	639	650	0.033	0.013
26	S-603	656.5	657	0.130	0.126
27	S-603	674	675	0.057	0.036
28	S-603	694	695	0.074	0.062
29	S-603	712	713	0.055	0.032
30	S-603	730.5	731.5	0.026	0.004
31	S-603	748.5	749.5	0.095	0.067

When the results from the labs are subjected to a least-squares analysis, there is a good correlation, as shown in Figure 12.4 that follows even with two apparent higher assay outliers.

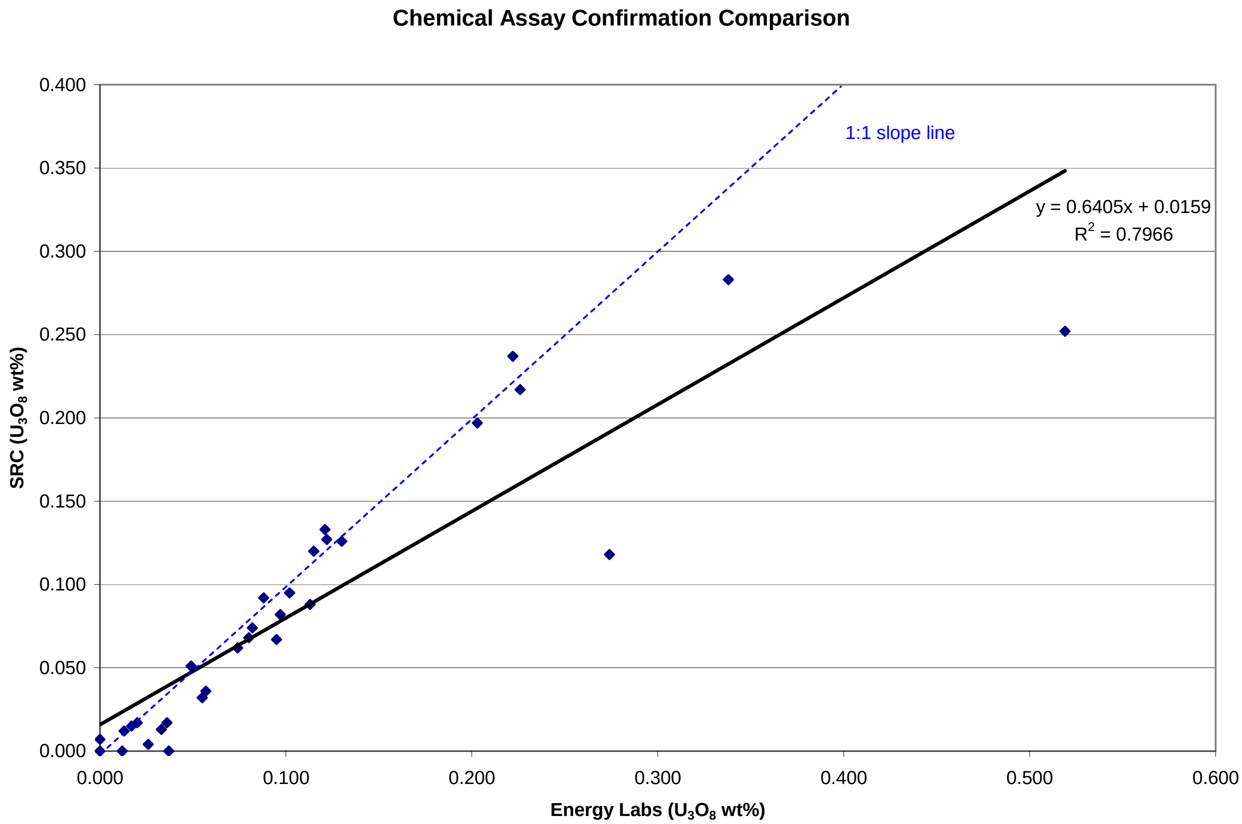

Figure 12.4. Chemical test results for selected samples from Energy Labs and SRC

12.3 CONFIRMATION OF MARLINE GEOPHYSICAL RP DATA

Virginia Uranium obtained historical geophysical data related to 251 holes (171 RP and 80 core of which six are cross-over holes – both RP and core for the same hole) from the Virginia Museum of Natural History and the Virginia Department of Mines, Minerals and Energy, as well as from Marline's private data files.

The historical Marline geophysical data was confirmed by re-drilling five historical holes. The RP holes selected for re-drilling were located in the North Deposit (41-19, 41-21, 41-138, and 41-183) with one in the South Deposit (41-145) and drilled with rotary percussion. The holes were re-logged with modern geophysical probes using Century Geophysical equipment. Three of the holes were also re-logged using Schlumberger geophysical probes that included a spectral gamma probe with a reconfirmation of MM&A results.

12.4 CONFIRMATION OF MARLINE CORE ASSAY

Virginia Uranium re-assayed core from six Marline core holes (three in the North Deposit and three in the South Deposit, with a mix of high, medium, and low assay results) to verify these historical estimates. Historical drill core, donated to the VMNH, was made available to Virginia Uranium for destructive verification purposes. This involved quartering already split and analyzed sections. Virginia Uranium's operating procedures were reviewed and approved by PAC prior to the commencement of drilling and evaluation. A total of 60 samples representing 1-foot intervals were sent to Energy Labs.

Detailed comparison of historical "old" Marline versus "new" Virginia Uranium assays are shown in Table 12.3.

TABLE 12.3
COMPARISON OF OLD MARLINE VERSUS NEW VIRGINIA URANIUM ASSAYS

Grade Level	Drill Hole	Interval New	% U_3O_8 New	Gamma New	Interval Old	% U_3O_8 Old	Average New % U_3O_8	Average Old % U_3O_8
South								
Low	41-153	275-276	0.050	0.041	275-276	0.046	0.072	0.067
		276-277	0.078	0.059	276-277	0.084		
		277-278	0.062	0.045	277-278	0.061		
		278-279	0.078	0.048	278-279	0.048		
		279-280	0.150	0.078	279-281	0.079		
		280-281	0.015	0.018				
Low	41-86	52-53	0.274	0.074	52-54	0.087	0.094	0.065
		53-54	0.061	0.057				
		54-55	0.039	0.024	54-56	0.039		
		55-56	0.033	0.031				
		56-57	0.077	0.053	56-58	0.069		
		57-58	0.080	0.068				
Med	57-9	846-847	0.124	0.095	846-847	0.097	0.148	0.160
		847-848	0.137	0.110	847-847.5	0.150		
					847.5-848	0.220		
		848-849	0.174	0.139	848-848-5	0.160		
					848.5-849	0.150		
		849-850	0.069	0.058	849-849.5	0.081		
					849.5-850	0.092		
		850-851	0.236	0.057	850-850.5	0.110		
					850.5-851	0.440		
High	57-9	855-856	0.323	0.219	855-855.5	0.290	0.286	0.266
					855.5-856	0.470		
		856-857	0.284	0.181	856-856.5	0.290		
					856.5-857	0.200		
		857-858	0.269	0.160	857-858	0.230		
		858-859	0.202	0.121	858-859	0.120		
		859-860	0.458	0.287	859-860	0.380		
		860-861	0.180	0.120	860-861	0.240		

TABLE 12.3
COMPARISON OF OLD MARLINE VERSUS NEW VIRGINIA URANIUM ASSAYS

Grade Level	Drill Hole	Interval New	% U_3O_8 New	Gamma New	Interval Old	% U_3O_8 Old	Average New % U_3O_8	Average Old % U_3O_8
High	41-153	337-338	0.049	0.038	337-337.5	0.033	0.250	0.221
				0.111	337.5-338	0.130		
		338-339	0.130	0.111	338-338.5	0.130		
					338.5-339	0.059		
		339-340	0.310	0.187	339-339.5	0.250		
					339.5-340	0.410		
		340-341	0.239	0.200	340-340.5	0.240		
					340.5-341	0.240		
		341-342	0.523	0.306	341-342	0.360		
High	41-154	360.5-361.5	1.19	0.87	360.5-361	0.640	1.018	0.921
					361-361.5	1.150		
		361.5-362.5	0.613	0.387	361.5-362	0.766		
					362-362.5	0.427		
		362.5-363.5	0.691	0.426	362.5-363	1.140		
					363-363.5	0.514		
		363.5-364.5	0.997	0.710	363.5-364	1.050		
					364-364.5	1.220		
		364.5-365.5	1.60	1.27	364.5-365	1.470		
					365-365.5	0.831		
High	41-159	550-551	0.645	0.575	550-550.5	0.679	0.584	0.588
					550.5-551	0.871		
		551-552	0.877	0.618	551-551.5	0.907		
					551.5-552	0.540		
		552-553	0.454	0.371	552-552.5	0.595		
					552.5-553	0.694		
		553-554	0.508	0.434	553-553.5	0.394		
					553.5-554	0.242		
		554-555	0.438	0.226	554-554.5	0.270		
					554.5-555	0.688		
North								
Low	41-171	244-245	0.019	0.013	244-246	0.014	0.017	0.020
		245-246	0.009	0.007				
		246-247	0.026	0.015	246-248	0.019		
		247-248	0.022	0.020				
		248-249	0.010	0.014	248-250	0.027		

TABLE 12.3
COMPARISON OF OLD MARLINE VERSUS NEW VIRGINIA URANIUM ASSAYS

Grade Level	Drill Hole	Interval New	% U_3O_8 New	Gamma New	Interval Old	% U_3O_8 Old	Average New % U_3O_8	Average Old % U_3O_8
Low	41-174	381-382	0.052	0.030	381-383	0.068	0.053	0.058
		382-383	0.064	0.040				
		383-384	0.050	0.040	383-385	0.054		
		384-385	0.040	0.029				
		385-386	0.061	0.033	385-387	0.053		
		386-387	0.052	0.040				
Med	41-51	474-475	0.116	0.093	474-476	0.116	0.180	0.159
		475-476	0.121	0.100				
		476-477	0.124	0.096	476-478	0.149		
		477-478	0.274	0.158				
		478-479	0.156	0.136	478-480	0.211		
		479-480	0.291	0.160				
Med	41-175	613.5-614.5	0.170	0.099	613.5-614	0.145	0.100	0.122
					614-614.5	0.294		
		614.5-615.5	0.033	0.025	614.5-615	0.027		
					615-615.5	0.133		
		615.5-616.5	0.128	0.085	615.5-616	0.081		
					616-616.5	0.124		
		616.5-617.5	0.098	0.057	616.5-617	0.091		
					617-617.5	0.052		
		617.5-618.5	0.070	0.052	617.5-618	0.076		
					618-618.5	0.201		

In comparing the historical chemical data with the newly re-tested chemical data, both a high correlation factor (R^2 = 0.99, Figure 12.5) and resulting slope (0.92) provide a high confidence in the ability to use the historical data and obtain acceptable results.

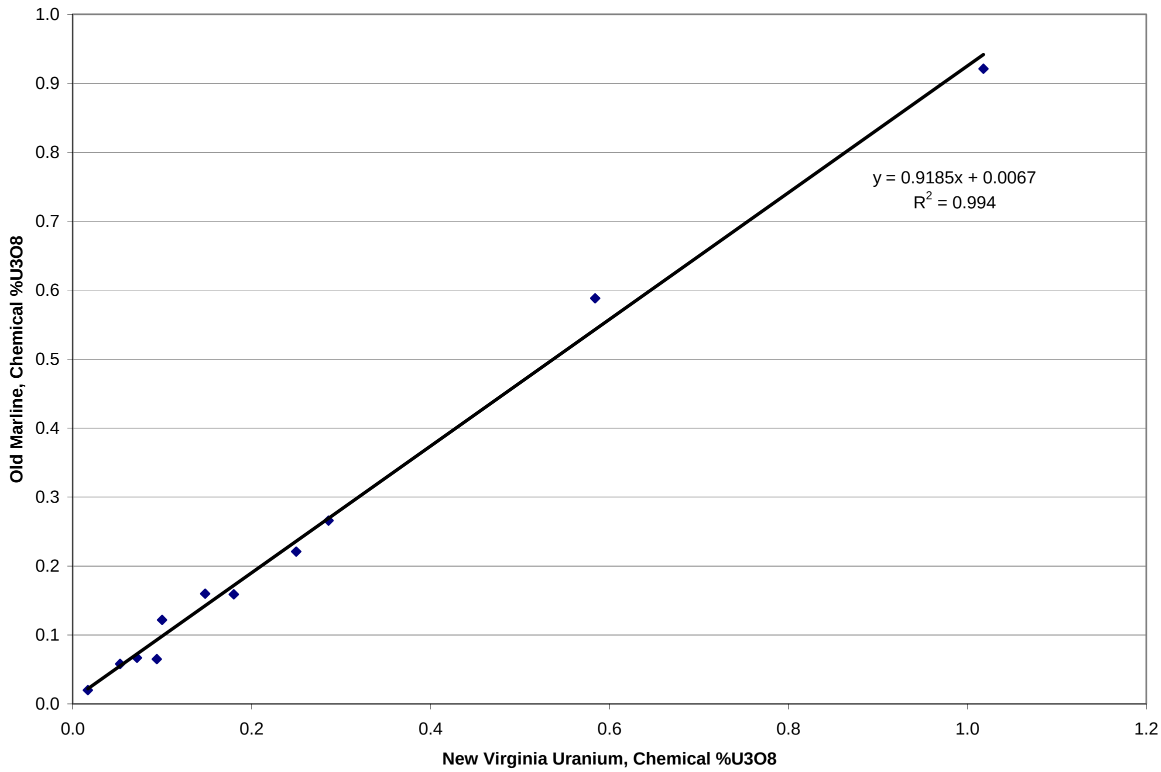

Figure 12.5. Current versus historical chemical data for selected Marline drill holes

12.4.1 Assay Versus Down Hole Radiometric Charts

A confirmation of historical data results was also done by comparing results from 11 randomly selected historical core holes in the north and south areas at different ore grades. Laboratory chemical assays and closed-can gamma readings data were compared with geophysical down hole data by Marline. Table 12.4 shows the data used to develop the curves shown in Figure 12.6.

TABLE 12.4
COMPARISON OF ASSAY AND GAMMA LOG DATA

Drill Hole	Virginia Uranium Assay data			Virginia Uranium Closed Can Data			Marline Gamma Log Data		
	% U_3O_8 (G)	T (Thickness in feet)	GxT product	% U_3O_8 (G)	T (Thickness in feet)	GxT product	%(e) U_3O_8	T (Thickness in feet)	GxT product
41-171	0.017	5.0	0.086	0.020	6.0	0.120	0.036	5.0	0.179
41-174	0.053	6.0	0.319	0.058	6.0	0.350	0.058	6.0	0.349
41-153	0.072	6.0	0.433	0.066	6.0	0.397	0.089	6.0	0.537
41-86	0.094	6.0	0.564	0.065	6.0	0.390	0.080	6.0	0.477
41-175	0.100	5.0	0.499	0.122	5.0	0.612	0.175	5.0	0.877
57-9	0.148	5.0	0.740	0.160	5.0	0.799	0.318	5.0	1.589
41-51	0.180	6.0	1.082	0.159	6.0	0.952	0.165	6.0	0.991
41-153	0.250	5.0	1.251	0.221	5.0	1.106	0.290	5.0	1.452
57-9	0.286	6.0	1.716	0.266	6.0	1.595	0.275	6.0	1.652
41-159	0.584	5.0	2.922	0.588	5.0	2.940	0.417	5.0	2.086
41-154	1.02	5.0	5.091	0.921	5.0	4.604	0.794	5.0	3.968
Totals and Averages	0.245	60.0	14.703	0.227	61.0	13.865	0.236	60.0	14.156

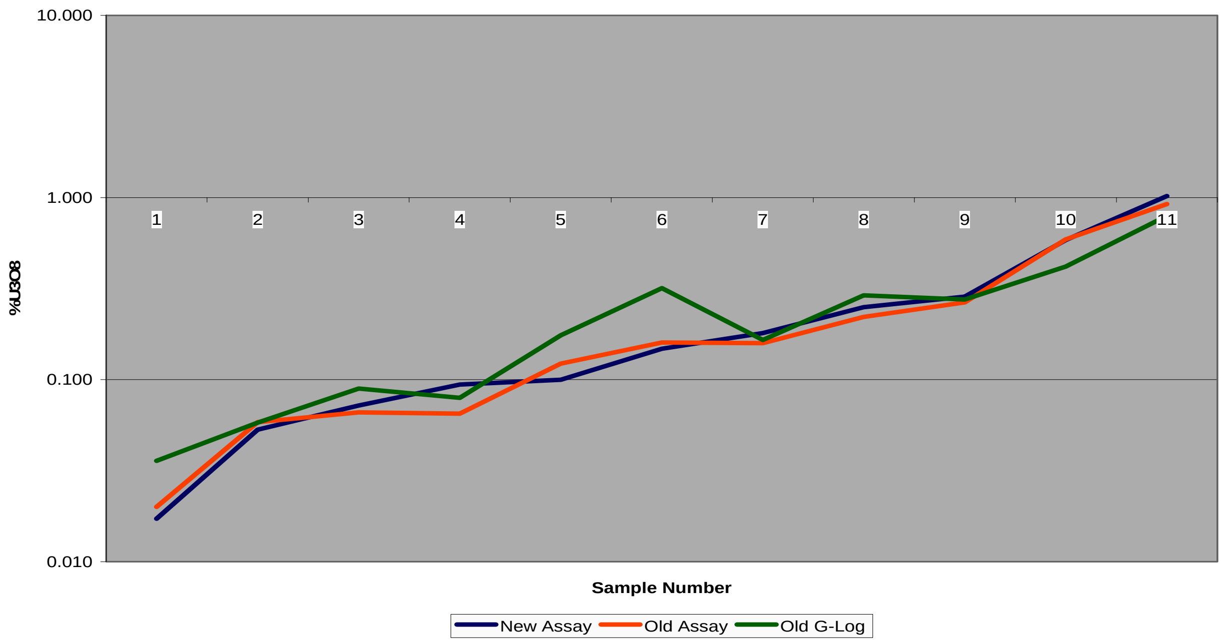

Figure 12.6. Assay and gamma log comparison for selected Marline drill holes

Behre Dolbear and PAC have reviewed the results and concur that the deposit is close to equilibrium in the area reviewed. A possibility is that the occurrence of zones out of equilibrium exists and further investigation is recommended.

12.5 ROCK DENSITY ANALYSIS

The rock density of samples S-601 and S-602 was measured with the results shown in Table 12.5.

TABLE 12.5
ROCK DENSITY ANALYSES

S-601				S-602		
Interval	**Density (g/cc)**	**Chemical % U_3O_8**		**Interval**	**Density (g/cc)**	**Chemical % U_3O_8**
189-190	2.73	0.078		54-55	2.75	0.080
212-213	2.66	0.058	(*)	59-60	2.66	0.055
289-290	2.68	0.033		64-65	2.51	0.044
296-297	2.73	0.089		69-70	2.81	0.041
301-302	2.63	0.098		74-75	2.49	0.097
306-307	2.69	0.090		79-80	2.56	0.045
311-312	2.67	0.102		93-94	2.66	0.082
Average	**2.68**			97-98	2.50	0.079
				105-106	2.53	0.013
				112-113	2.62	0.024
				117-118	2.63	0.187
				121-122	2.47	0.128
				159-160	2.61	0.006
				168-169	2.48	0.063
				329-330	2.56	0.034
				334-335	2.47	0.108
				339-340	2.51	0.028
				344-345	2.67	0.349
				349-350	2.68	0.267
				354-355	2.55	0.274
				359-360	2.66	0.090
				364-365	2.60	0.088
				369-370	2.67	0.180
				374-375	2.80	0.037
				379-380	2.47	0.050
				414-415	2.67	0.088
				420-421	2.76	0.085
				Average	**2.61**	

(*) chemical analysis from interpolation

When the average chemical assay was plotted against the density, no correlation resulted as seen in Figure 12.7.

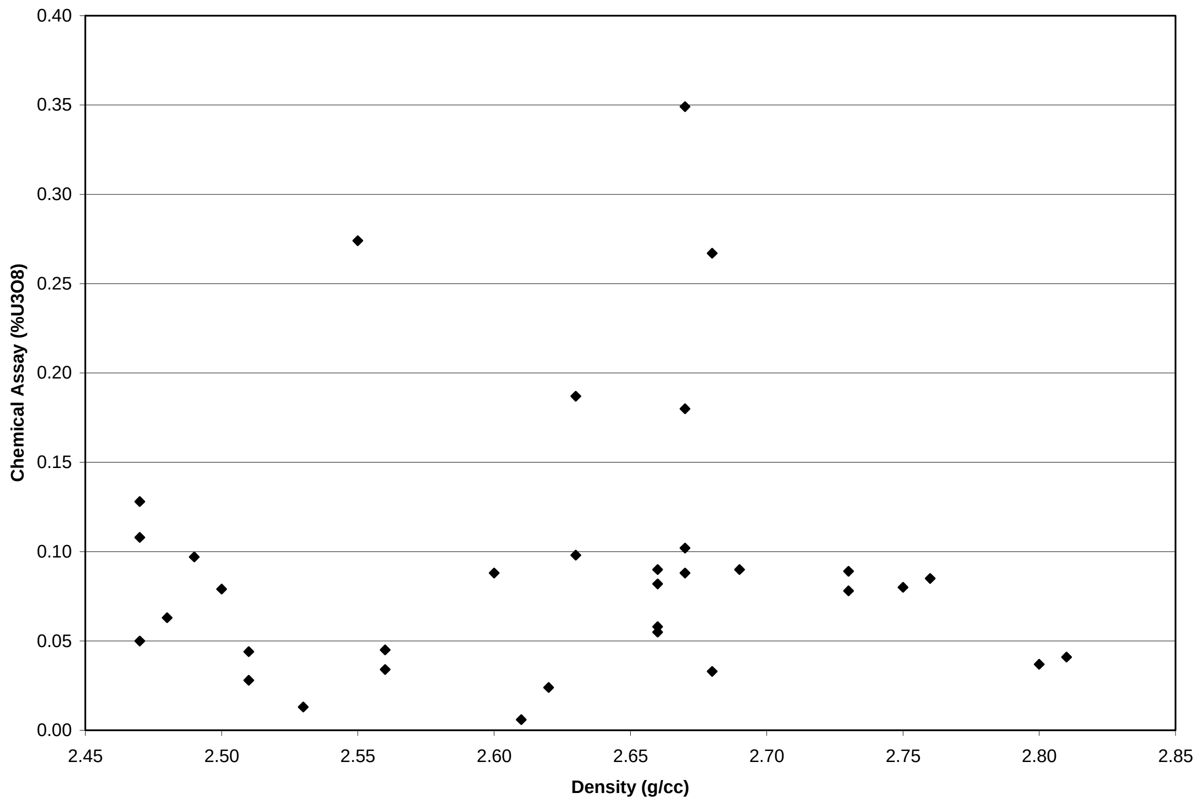

Figure 12.7. Rock Density versus Chemical Assay

The statistics of the rock density divided between all samples and those essentially with weak mineralization (defined as samples with 0.05% or lower chemical assay) are shown in Table 12.6.

TABLE 12.6 DENSITY OF WEAKLY MINERALIZED SAMPLES VERSUS ALL SAMPLES		
Overall Results for Both S-601 and S-602		
		Density, g/cc
All-Data		
Average	=	2.62
Standard Deviation	=	0.10
Minimum	=	2.47
Maximum	=	2.81
Data With Below 0.05% U_3O_8		
Average	=	2.61
Standard Deviation	=	0.11
Minimum	=	2.47
Maximum	=	2.81

The rock density value of 2.56 g/cc used by Virginia Uranium for resource modeling is based on one developed by UMETCO (1984). The use of the UMETCO factor (about 2.3% less dense than the results of Virginia Uranium analyses) provides a slightly more conservative resource estimate than would the use of recent analyses. The importance of the Virginia Uranium analysis is that it validates the use of the UMETCO factor.

12.6 DRILL HOLE DRIFT ANALYSIS

To provide additional comfort with regard to the drill drift data, an analysis was performed to see how much deviation from the ideal vector of a given collar occurred from measured core drift (i.e., the ideal drift of a hole was computed given the surface collar coordinates, and it was compared to the measured drift).

A key metric technique was used to determine the point at which the drift of the holes deviated more than 50 feet, as this is the distance used to define a measured resource. The deviations measured for core holes and rotary holes were generally comparable; however, core holes deviated less overall.

12.6.1 Core Hole Drift Data

As shown in Table 12.7 and Figures 12.8 and 12.9, 50 feet of deviation is not experienced on average until around 500 feet of depth. The maximum deviation of 50 feet occurs at 700 feet to 800 feet; at three standard deviations (sigma) at 400 feet; and at six sigma at 200 feet to 300 feet. The data used in this analysis came from 46 core drill holes, 40 from the southern deposit and six from the northern deposit.

TABLE 12.7
CORE DRILL STATISTICS

	Deviation from Ideal Computed Drift (feet)				Standard Deviation (Sigma) from Average (feet)		
Hole Length in Feet (~depth)	**Minimum Measured**	**Maximum Measured**	**Average**	**Standard Deviation**	**Average +1 Sigma**	**Average +3 Sigma**	**Average +6 Sigma**
100	0	12	3	2	5	10	17
200	0	26	7	5	12	22	38
300	0	37	10	8	19	35	60
400	0	55	16	12	28	53	90
500	3	79	24	17	41	76	128
600	3	126	34	25	60	110	186
700	4	223	52	42	94	178	303
800	5	320	70	57	127	241	413
900	16	438	103	79	181	339	575
1,000	26	519	148	126	274	527	906

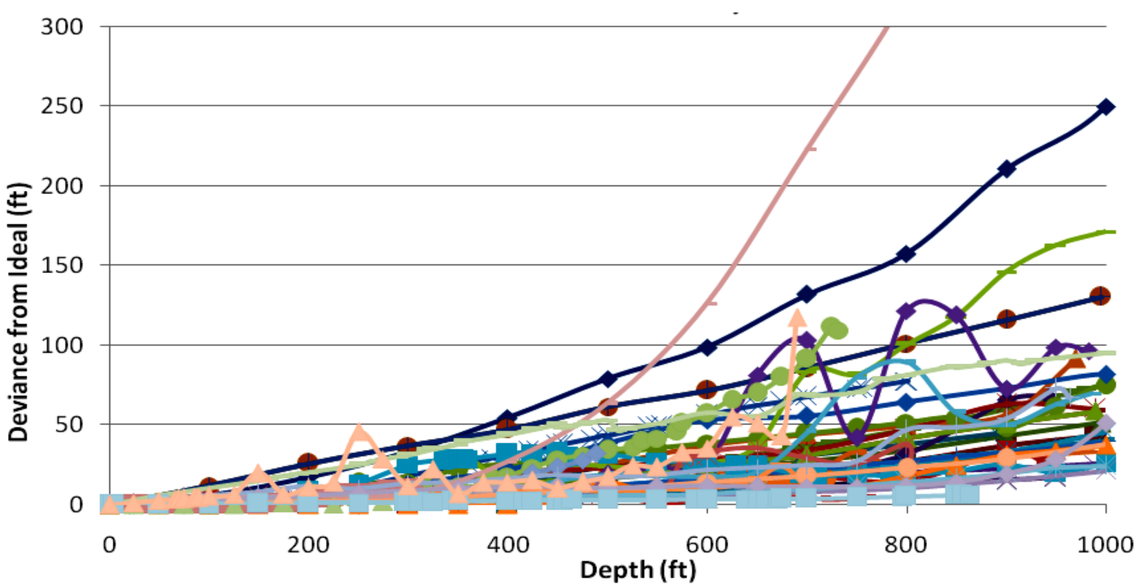

Figure 12.8. Drift deviation per core drill hole versus depth

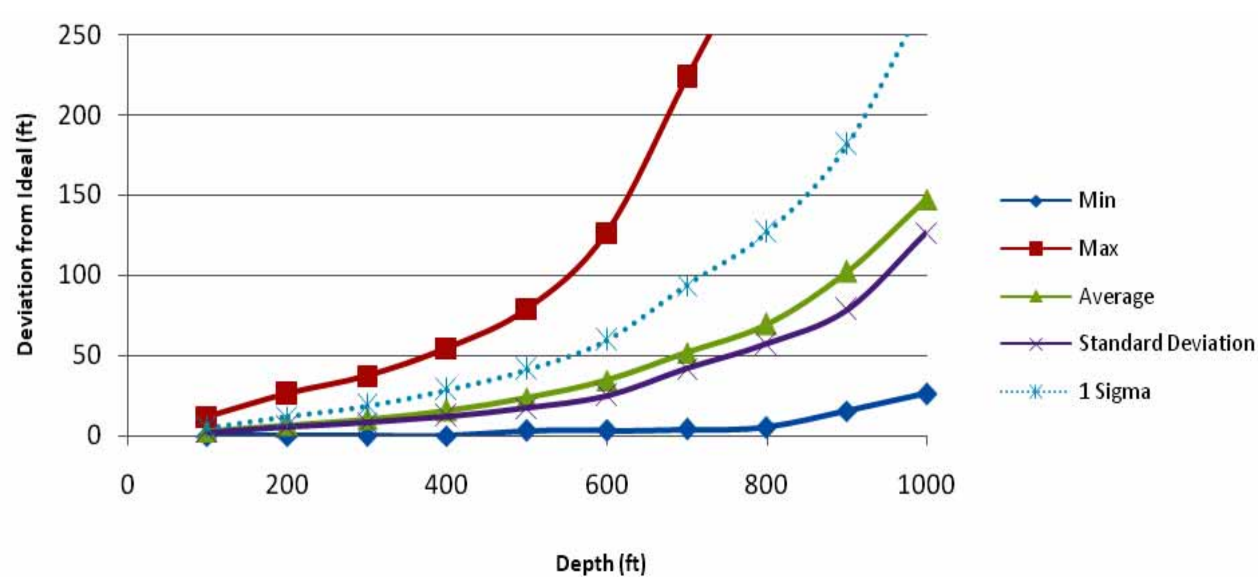

Figure 12.9. Core drill hole statistics

12.6.2 Rotary Percussion Hole Drift Data

The rotary percussion drill holes do not go beyond 50 feet deviation until around 500 feet, as shown in Table 12.8 and Figures 12.10 and 12.11. Forty-two rotary percussion drill holes were used in this analysis.

TABLE 12.8 ROTARY PERCUSSION DRILL STATISTICS							
Hole Length in Feet (~depth)	**Deviation from Ideal Computed Drift (feet)**				**Standard Deviations from Average (feet)a**		
	Minimum Measured	**Maximum Measured**	**Average**	**Standard Deviation**	**Average +1 Sigma**	**Average +3 Sigma**	**Average +6 Sigma**
100	0	10	3	3	7	13	23
200	0	32	10	8	18	34	58
300	1	61	20	16	36	67	114
400	2	122	34	28	62	119	204
500	9	163	50	40	90	170	291
600	7	198	7	56	127	238	405
700	12	239	96	71	167	309	521
800	16	320	111	82	193	357	603
900	33	438	136	92	228	411	687
1,000	44	519	154	124	278	527	899

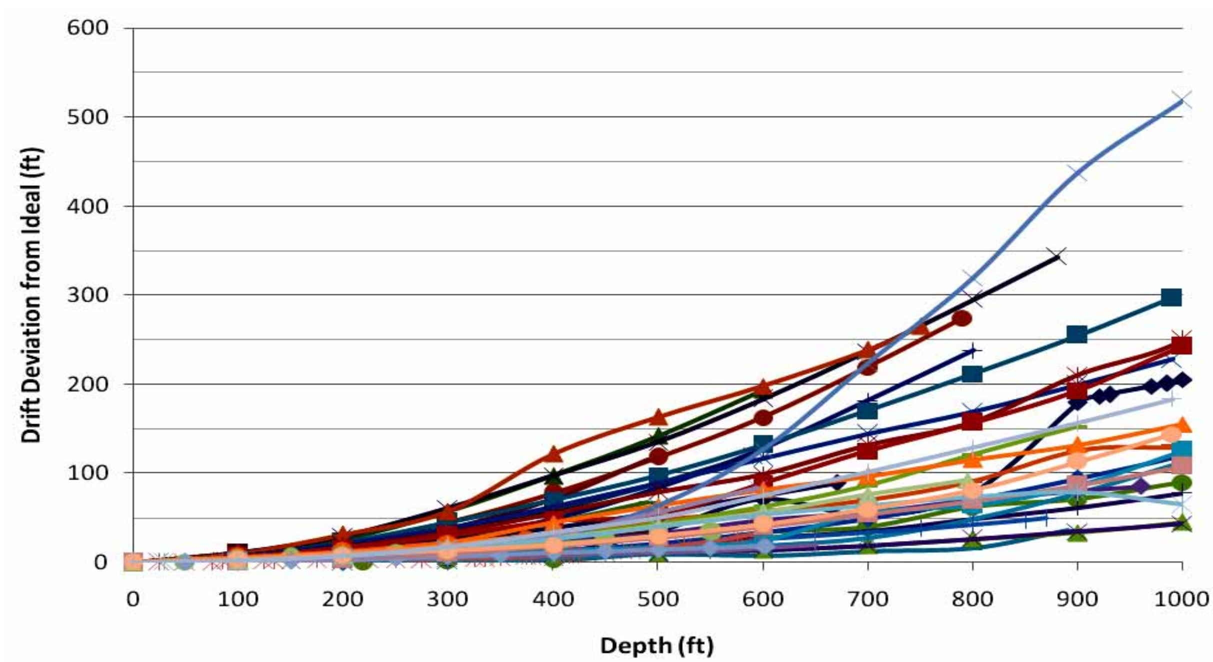

Figure 12.10. Drift deviation per percussion drill hole

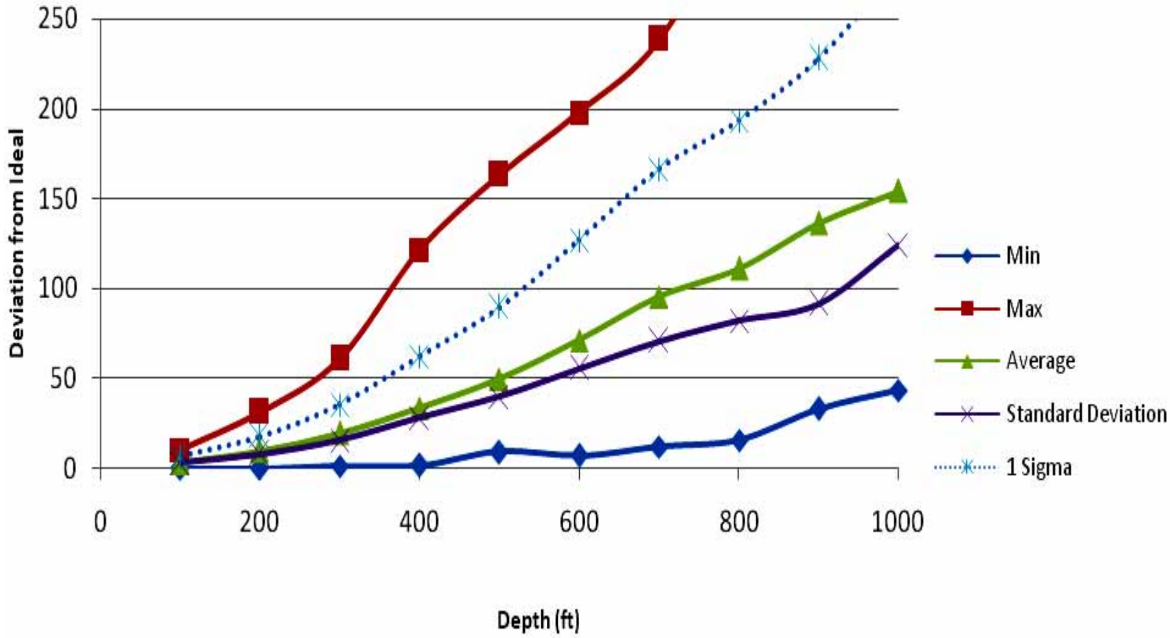

Figure 12.11. Percussion drill hole statistics

12.6.3 Combined Rotary Percussion and Core Holes

As shown in Table 12.9, the distance at which core and percussion holes usually reached a 50-foot deviation would be around 600 feet.

TABLE 12.9
COMBINED DRILL HOLE STATISTICS

Deviation from Ideal Computed Drift (feet)					Combined Core and Percussion	
Hole Length in Feet (~depth)	**Core Average**	**Percussion Average**	**Core Standard Deviation**	**Percussion Standard Deviation**	**Average**	**Standard Deviation**
100	3	2	3	3	3	3
200	7	5	10	8	8	7
300	10	8	20	16	15	12
400	16	12	34	28	25	20
500	24	17	50	40	37	29
600	34	25	71	56	53	40
700	52	42	96	71	74	56
800	70	57	111	82	91	70
900	103	79	136	92	119	85
1,000	148	126	154	124	151	125

13.0 ADJACENT MINERAL PROPERTIES

Behre Dolbear and PAC are not aware of adjacent mineral properties.

14.0 MINERAL PROCESSING AND METALLURGICAL TESTING

Mineral processing research to identify possible processing scenarios was conducted by the Colorado School of Mines Research Institute (CSMRI) in Golden, Colorado for PAH, which was a consultant to Marline and Union Carbide. The research was published in a report on November 12, 1982. Additional research was conducted by Hazen Research, Inc. in Golden, Colorado. Union Carbide Corporation subsequently carried out additional test work in its facility in Grand Junction, Colorado and published those results in a report dated July 13, 1984.

Behre Dolbear reviewed the above listed reports and found the work to have been performed in a satisfactory manner, with reasonable results related to the milling of ore. On an overall basis, this work established the amenability of Coles Hill ore (referred to as "Swanson" ore in some reports) to either acid or alkaline leaching but did not clearly establish the economic superiority of either method. Additional analysis should be completed to more fully assess trade-offs between process cost and uranium extraction.

14.1 BEHRE DOLBEAR'S REVIEW OF METALLURGICAL TESTING

Behre Dolbear reviewed the listed reports on metallurgical test work and found this work to have been performed in a satisfactory manner, with reasonable results related to the milling of ore. This work established the amenability of uranium recovery by both acid and alkaline leaching methods but did not clearly establish trade-offs between cost and recovery. Key areas of future interest should focus on head grade, high acid consumption for an acid leaching route versus lower recovery (8% to 13%) for an alkaline leach route, and the ability to produce a commercially acceptable product using the alkaline leach route. In addition, the potential for application of radiometric sorting should be investigated.

Behre Dolbear believes that the samples used by Marline are representative of the deposit for the purpose of metallurgical testing and mineral processing studies. Thomas Pool, a Behre Dolbear Qualified Person, had previous involvement with the property that is the subject of the Technical Report as a participant in a review of chemical versus radiometric data in the early 1980s with a previous employer, Douglas Robertson & Associates.

14.1.1 Head Grade

Head grades utilized for the study were 0.076% U_3O_8 for the northern section of the deposit and 0.104% U_3O_8 for the southern section. Radiometric sorting is seen as having the ability to add economic flexibility by enhancing these grades. This process of enhancement provides substantial benefits in several other areas, including lower acid consumption, smaller milling facility, and less tailings. On this basis, it is highly recommended that studies be undertaken on the potential for radiometric sorting to enhance the head grade. In addition, a review should be made of grade-tonnage relationships in order to optimize head grade.

14.1.2 Acid Consumption

CSMRI projected that acid consumption would amount to 300 to 320 pounds per ton of ore and on the basis of this consumption recommended that an alkaline leach route be used. Analysis of current acid prices and/or sources is necessary to confirm that conclusion.

14.1.3 Recovery

Alkaline leaching was projected by historical work to result in significantly lower recoveries, about 82% to 88% versus about 93% to 97% recovery for acid leach. This difference must be weighed against the higher cost of acid milling.

14.1.4 Commercial Product

To be economically viable, a uranium mill must produce a uranium concentrate acceptable to conversion facilities. While all conversion facilities have different specifications for uranium concentrates, the current ASTM standard (C967-08) provides a reasonable target for planning purposes. The minimum uranium content is typically 60% U to 65% U, or about 70% U_3O_8 to 75% U_3O_8. The CSMRI alkaline test work did not produce an acceptable concentrate, but later work by Union Carbide is reported to have succeeded. This must be confirmed by future test work.

14.1.5 Whole Rock Analysis

Behre Dolbear has reviewed the whole rock analysis figures from available data and concurs with the conclusion in the Marline Union Carbide (MUC) Report that was submitted to the Commonwealth of Virginia that: "The analyses show a relatively clean ore, that is it does not contain quantities of heavy metals that are typical of uranium ores of the southwestern United States."

14.2 PROCESS SELECTION METHODS

Behre Dolbear recommends that Virginia Uranium prepare an analysis of various economic, regulatory, and environmental trade-offs between acid and alkaline leaching under current and expected future conditions. A scoping study should be prepared on the potential to utilize radiometric sorting and other methods to increase operating flexibility and to assist in equipment design and selection. This too will have trade-offs between cost and recovery. Ultimately, and prior to determination of acid or alkaline milling, the ability to produce and the cost of producing a concentrate that is currently acceptable to the industry must be determined.

15.0 MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES

CHUP has current in-place mineral resource estimates based on historical and current drilling.

15.1 MODELING METHODOLOGY

Virginia Uranium supplied MM&A with historical data on about 230 drill holes. MM&A is a full-service geological, engineering, and environmental consulting firm rooted in the mining industry. The company has been in business for over 30 years and has over 200 employees in 12 branch offices in the United States. The Coles Hill resource estimation was performed by Mr. John Eckman, Geologist/Manager Computer Modeling and Mapping, who has been on the staff of MM&A for 14 years. Mr. Eckman has over 15 years of experience modeling mineral reserves and resources with VulcanTM software and five years of experience specifically modeling ore deposits. His supervisor is Mr. K. Scott Keim, CPG, and President of MM&A. Scott Keim was responsible for MM&A preparation of the estimated mineral resources. Betty Gibbs was responsible for Behre Dolbear's review of the estimated mineral resources prepared by MM&A and was the Qualified Person responsible for the estimated mineral resources.

Both Mr. Keim and Ms. Gibbs are independent of Virginia Uranium and/or Santoy as set out in Section 1.4 of NI 43-101. Betty Gibbs has read the definition of "Qualified Person" as set out in NI 43-101 and certified that by reason of her education (graduate of Colorado School of Mines with an Engineer of Mines degree in 1969, and a Master of Science degree in 1972), affiliation with a professional association (registered as a Qualified Person with the Mining and Metallurgical Society of America), and past relevant work experience (work as a mining engineer and ore reserves specialist including direct experience on uranium extraction projects), she fulfills the requirements to be a "Qualified Person" for the purposes of NI 43-101.

The drill hole data consisted of geological logs and cross-sections, down hole analog geophysical logs, laboratory assay data, and down hole orientation survey (drift) data. Analog geophysical logs were digitized and supplied to MM&A by Gibbs Associates, supervised by Ms. Betty Gibbs, Behre Dolbear Associate. Additionally, three core holes were drilled by Virginia Uranium and geophysically logged by MM&A. Four Marline holes were reopened by Virginia Uranium and geophysically logged by MM&A. Data from the Virginia Uranium geophysical logs for these four holes were used in this study.

15.2 DATA AND LOG PROCESSING

Logs of natural gamma radiation, collected with Minerals Service Company and Century Geophysical Corporation probes, were digitized for 230 drill holes from hard copy logs. Also included were natural gamma digital data from nine surveys by MM&A using Century Geophysical probes. The combined historical and Virginia Uranium surveys totaled 180,973 feet. The natural gamma values were converted to radiometric equivalent U_3O_8 grade in percent by MM&A using appropriate water factors, casing factors, digitizing scaling factors, and uranium equivalency (K) factors.

Laboratory assay data were available for 80 historical core holes and one new Virginia Uranium core hole (S-603 in the South Deposit with the results of S-601 and S-602 arriving after the modeling), totaling 55,311 sampled feet and 20,863 samples. MM&A created a merged file in which radiometric equivalent data were replaced by assay data if they existed.

Available down hole orientation (drift) survey data were incorporated in the model for 96 total drill holes, including 87 drill holes for which the historical drift data were used. An analysis of the down hole surveys indicated that the variance from ideal was moderate as there was less than 50 feet difference from ideal down to a depth of 300 feet.

15.3 RESOURCE MODELING AND ESTIMATION

The Coles Hill geologic model was generated with Maptek's Vulcan 3-D geological modeling and mine planning software, Version 7.5. Vulcan is a geological modeling, surveying, and mine planning program that is accepted in the modeling of uranium and other types of deposits.

A block modeling method was used to estimate the amount of resources. Two geologic contacts were entered that bound the main host rock, which comprises mylonitic feldspar augen gneiss and amphibolite of the Late Ordovician Leatherwood granite. The upper bounding structure is the Triassic Chatham fault, and the lower contact is between augen gneiss and an underlying Fork Mountain schist unit. A block model was produced based on 20 feet × 20 feet horizontal and 10 feet vertical block sizes within the boundaries of the main ore host lithology. Larger block sizes were used outside the two bounding contacts, and the model was estimated fully in all directions.

Two mineralized domains, north and south, were established based on drill hole data and historical modeling. The nominal spacing of drill holes is about 100 feet in both North-South and East-West directions. The nominal sample spacing was 0.5 feet for radiometric equivalent data and 1 to 2 feet for assay data. For both data types, samples were composited in Vulcan™ over a 3-foot interval measured along the drill hole.

A variographic analysis was performed using the Vulcan geostatistics module, and search parameters were chosen based on the directions of continuity and ranges of influence from this analysis, as well as from visual inspection of the data.

One search ellipsoid was used for both deposit domains with three orthogonal axes as follows: a horizontal axis oriented N30°E (strike direction) with a search radius of 250 feet, an axis plunging 40° in a S60°E direction (dip direction) with a search radius of 250 feet and a sub-vertical axis orthogonal to the other two, with a search radius of 50 feet. The selected orientation of the search ellipsoid mimics the strike and dip of compositional layering and flattening foliation in the host rock. Principal radii of 250 feet in strike and dip directions were chosen to be 2.5 times the nominal drill hole spacing. A smaller search radius of 50 feet sub-vertical was chosen because of the greater number of samples in this direction.

Searching with declustering of data was performed in octants using a maximum of eight sample points and a minimum of two sample points per octant. Grade estimation was performed with an inverse distance cubed algorithm. Grade shells of 0.20, 0.10, 0.05, and 0.025 wt % U_3O_8 were used to constrain the grade estimation to accept only composites within the boundaries of that grade shell. Grade estimation was performed on a mass (weight percent) basis. A density value of 0.080 tons/cubic foot (2.56 g/cc) was employed for all rock types, which is typical of a granitoid rock with fracture porosity. This density value was also determined and used by Union Carbide in a July 13, 1984 evaluation of the Coles Hill Deposit.

15.4 MINERAL RESOURCE ESTIMATES

Canadian NI 43-101 definitions of mineral resource and mineral reserve refer to the terms as defined by the Canadian Institute of Mining, Metallurgy, and Petroleum (CIM). The CIM definition standards on mineral resources and mineral reserves are as follows:

> "A Mineral Resource is a concentration or occurrence of diamonds, natural solid inorganic material, or natural solid fossilized organic material including base and precious metals, coal, and industrial minerals in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge."

The definition of a Mineral Reserve is as follows:

> "A Mineral Reserve is the economically mineable part of a Measured or Indicated Mineral Resource demonstrated by at least a Preliminary Feasibility Study. This Study must include adequate information on mining, processing, metallurgical, economic, and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. A Mineral Reserve includes diluting materials and allowances for losses that may occur when the material is mined."

In addition, the CIM definition standards for a technical report are defined as a report that contains the relevant supporting documentation, estimation procedures and description of the exploration Information, or the mineral resource and mineral reserve estimate.

> "Technical Reports of a Mineral Resource must specify one or more of the categories of 'Inferred', 'Indicated' and 'Measured' and Technical Reports of Mineral Reserves must specify one or both of the categories of 'Proven' and 'Probable'. Categories must not be reported in a combined form unless details for the individual categories are also provided. Inferred Mineral Resources cannot be combined with other categories and must always be reported separately. Mineral Resources must never be added to Mineral Reserves and reported as total Resources and Reserves. Mineral Resources and Mineral Reserves must not be reported in terms of contained metal or mineral content unless corresponding tonnages, grades and mining, mineral processing and metallurgical recoveries are also presented."

This evaluation classified measured and indicated resource based on the criteria stated below:

- **Measured** – within a radius of 50 feet of a drill sample composite. This distance is half the nominal drill spacing of 100 feet.
- **Indicated** – within a radius of 50 to 200 feet of a drill sample composite. This distance is twice the nominal drill spacing of 100 feet.

Measured resource in this study was restricted to the south domain using only holes that had been chemically assayed and that had been surveyed for down hole drift. Forty holes met the criteria for both chemical and drift data. A three-dimensional block model from these holes demonstrated reasonable continuity of ore grade zones. Consequently, a measured resource of 8.4 million pounds of U_3O_8 is reported and is subtracted from the indicated resource. Measured and indicated resource estimations from the model are reported in Table 15.1.

TABLE 15.1
RESOURCE ESTIMATES – JUNE 4, 2008
(MILLIONS OF TONS AND POUNDS IN-PLACE)

Cutoff % U_3O_8	Measured[1]			Indicated[1]			Total[1]		
	Tons[2]	% U_3O_8[3]	Pounds U_3O_8	Tons[2]	% U_3O_8[3]	Pounds U_3O_8	Tons[2]	% U_3O_8[3]	Pounds U_3O_8
South Coles Hill Deposit (SCHD)									
0.200	0.397	0.301	2.39	2.35	0.264	12.4	2.75	0.270	14.9
0.150	0.562	0.264	2.97	4.56	0.221	20.1	5.12	0.225	23.1
0.125	0.654	0.246	3.22	5.24	0.210	22.0	5.90	0.214	25.2
0.100	0.755	0.228	3.45	5.31	0.209	22.2	6.07	0.211	25.6
0.075	1.35	0.164	4.44	16.7	0.122	40.9	18.1	0.125	45.3
0.050	2.28	0.124	5.65	22.3	0.109	48.7	24.5	0.111	54.3
0.025	6.62	0.064	8.42	44.6	0.071	63.5	51.2	0.070	71.9
North Coles Hill Deposit (NCHD)									
0.200	-	-	-	0.519	0.320	3.32	0.519	0.320	3.32
0.150	-	-	-	0.851	0.262	4.46	0.851	0.262	4.46
0.125	-	-	-	0.927	0.252	4.67	0.927	0.252	4.67
0.100	-	-	-	0.959	0.247	4.74	0.959	0.247	4.74
0.075	-	-	-	7.31	0.103	15.1	7.31	0.103	15.1
0.050	-	-	-	13.2	0.088	23.1	13.2	0.088	23.1
0.025	-	-	-	47.5	0.050	47.1	47.5	0.050	47.1
CHUP Project Total (South and North Coles Hill Deposits)									
0.200	0.397	0.301	2.39	2.87	0.274	15.7	3.26	0.278	18.1
0.150	0.562	0.264	2.97	5.41	0.227	24.6	5.97	0.231	27.6
0.125	0.654	0.246	3.22	6.17	0.216	26.7	6.82	0.219	29.9
0.100	0.755	0.228	3.45	6.27	0.215	26.9	7.03	0.216	30.4
0.075	1.35	0.164	4.44	24.0	0.116	55.9	25.4	0.119	60.4
0.050	2.28	0.124	5.65	35.4	0.101	71.7	37.7	0.103	77.4
0.025	6.62	0.064	8.42	92.1	0.060	111	98.7	0.060	119

[1]Total tonnage above cutoff grade and average weight % U_3O_8 of that tonnage
[2]Short tons based on a rock density of 2.56 g/cc
[3]Weight %

It should be emphasized that the estimate is strictly an in-place resource with no property restrictions, recovery and dilution factors, or economic considerations applied. Figure 15.1 is a plan view of the deposit from the merged block model. Figures 15.2 and 15.3 are cross-sections respectively of the 0.1 wt % U_3O_8 grade shell and block grade estimations from the merged model.

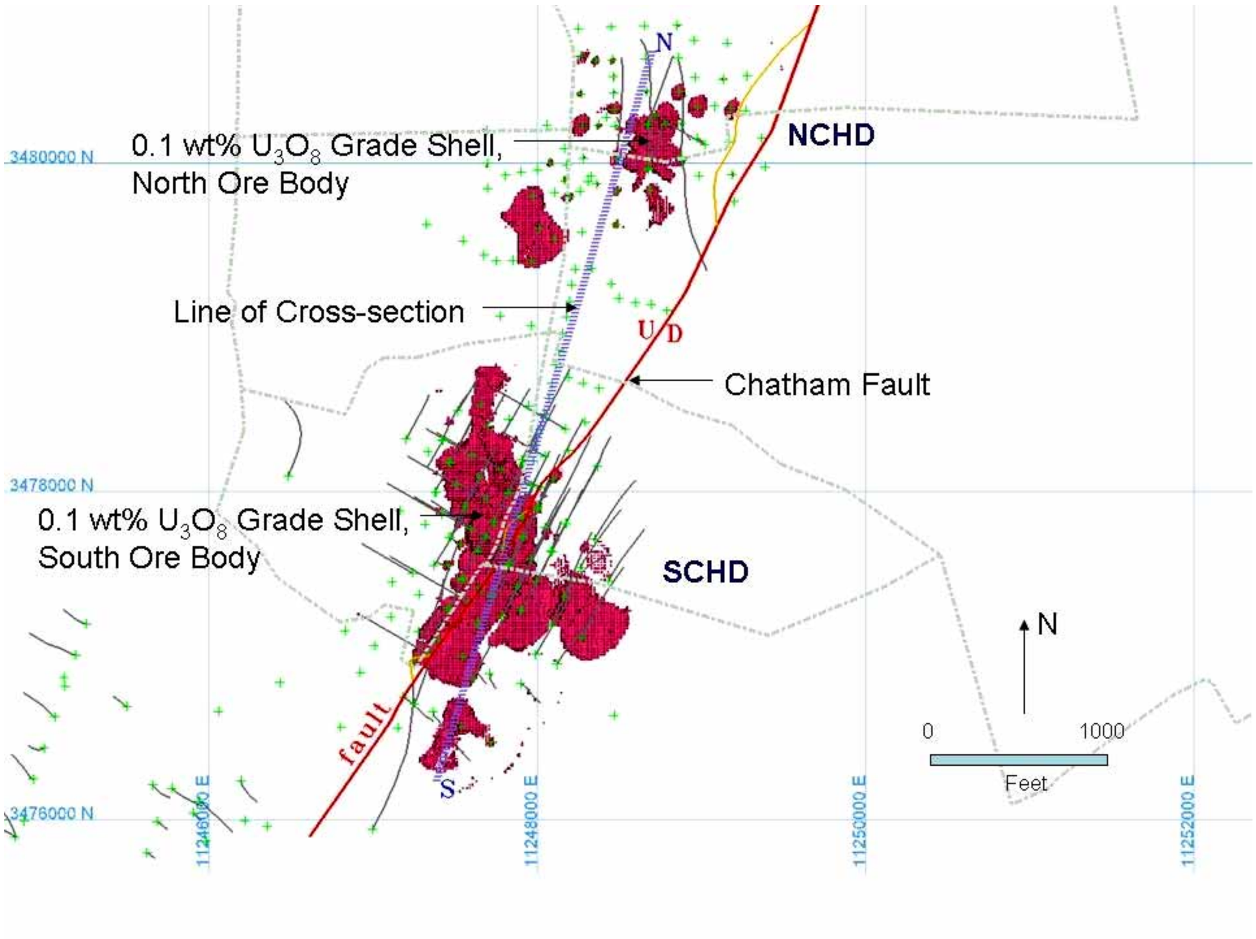

Figure 15.1. Plan view of deposit from merged block model, 0.1 wt % U_3O_8 grade shell shown in red

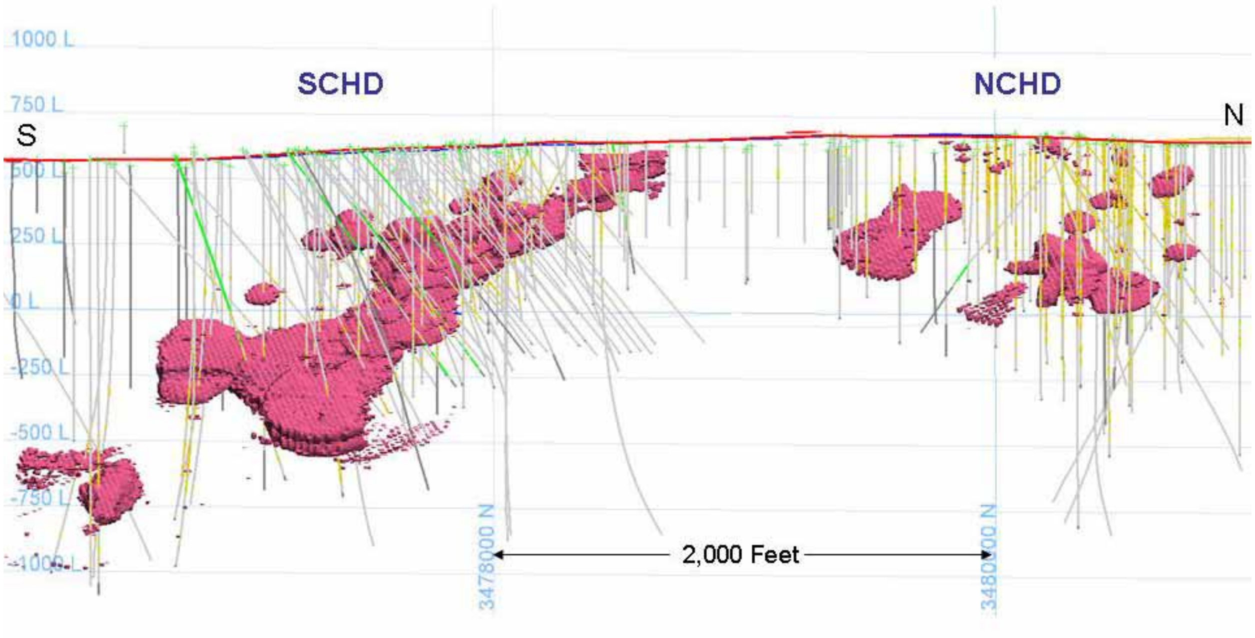

Figure 15.2. Vertical cross-section with 3-D view of the 0.1 wt % grade shell, looking west, 0.1 wt % U_3O_8 grade shell shown in red. Line of cross-section shown in Figure 15.1

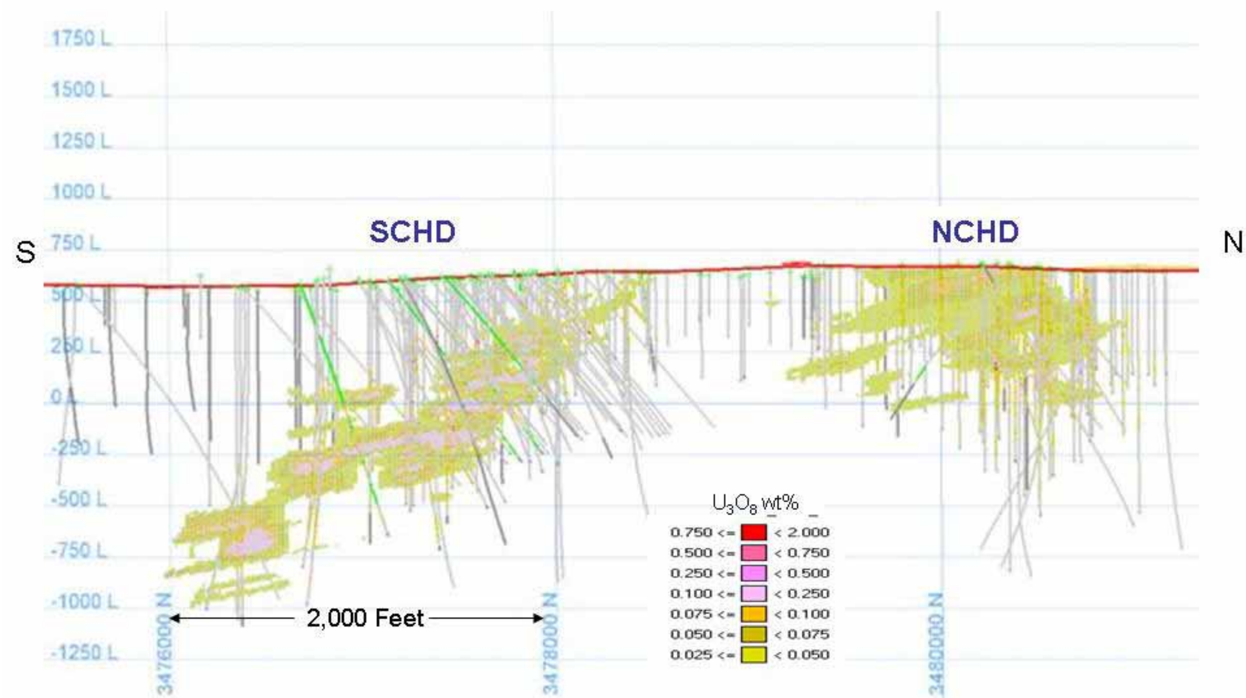

Figure 15.3. Vertical cross-section with 2-D view of block grade estimations, looking west. Grade intervals are wt % U_3O_8. Line of cross-section shown in Figure 15.1

Tables 15.2 and 15.3 are tabulations of the comparison of the Virginia Uranium model to the PAH estimates (see Notes in Table 5.1 for information about PAH estimates).

TABLE 15.2
COMPARISON OF MODEL RESULTS
SOUTH COLES HILL DEPOSIT (SCHD)

Cutoff % U_3O_8	Historical Marline (PAH) 1982 Estimate[1]			Virginia Uranium (MM&A) 2008 Estimate[2]		
	Million Tons[3,4]	% U_3O_8[5]	Million Pounds U_3O_8	Million Tons[3,4]	% U_3O_8[5]	Million Pounds U_3O_8
0.150	4.74	0.225	21.3	5.12	0.225	23.1
0.125	5.67	0.210	23.8	5.90	0.214	25.2
0.100	8.45	0.179	30.2	6.07	0.211	25.6
0.075	14.0	0.142	39.6	18.1	0.125	45.3
0.050	21.7	0.113	49.1	24.5	0.111	54.3
0.025	29.7	0.093	55.2	51.2	0.070	71.9

[1]Based on the down hole gamma %(e) U_3O_8 equivalent and subsequent confirmation by disequilibrium study
[2]Includes Measured and Indicated Resources
[3]Weight %
[4]Total tonnage above cutoff grade and average % U_3O_8 of that tonnage
[5]Short tons based on a rock density of 2.56 g/cc

TABLE 15.3
COMPARISON OF MODEL RESULTS
NORTH COLES HILL DEPOSIT (NCHD)

Cutoff % U_3O_8	Historical Marline (PAH) 1982 Estimate[1]			Virginia Uranium (MM&A) 2008 Estimate[2]		
	Million Tons[3,4]	% U_3O_8[5]	Million Pounds U_3O_8	Million Tons[3,4]	% U_3O_8[5]	Million Pounds U_3O_8
0.150	0.933	0.212	3.96	0.851	0.262	4.46
0.125	1.94	0.170	6.58	0.927	0.252	4.67
0.100	5.63	0.130	14.61	0.959	0.247	4.67
0.075	11.7	0.106	24.9	7.31	0.103	15.1
0.050	25.9	0.082	42.5	13.2	0.088	23.1
0.025	41.9	0.065	54.5	47.5	0.050	47.1

[1]Based on the down hole gamma %(e) U_3O_8 equivalent and subsequent confirmation by disequilibrium study
[2]Includes Measured and Indicated Resources
[3]Weight %
[4]Total tonnage above cutoff grade and average % U_3O_8 of that tonnage
[5]Short tons based on a rock density of 2.56 g/cc

16.0 OTHER RELEVANT DATA AND INFORMATION

In 1985, a subcommittee of the Virginia Coal and Energy Commission, the Uranium Administrative Group (UAG) made the following recommendation: "Based on all these efforts, we can now conclude that the moratorium on uranium development can be lifted if essential specific recommendations derived from the work of the task force are enacted into law." Sixteen members of the UAG supported the recommendation with two dissents. The moratorium was not lifted because specific legislation was not introduced due to the drop in uranium prices that eliminated the economic viability of any venture trying to mine uranium in Virginia. Leased mineral rights were eventually returned to the land owners.

In September 2007, the executive branch of the state government published the Virginia Energy Plan, which provided a comprehensive analysis for how the state might become more energy independent. The report highlighted that approximately 35% of electricity generation in Virginia comes from nuclear power plants, while all the nuclear fuel (uranium) is currently imported into the state. Due to the presence of substantial uranium resources in Southside Virginia the report recommended that serious consideration be given to the development of a local uranium mining initiative. The following direct quotes from the Virginia Energy Plan refer to the Coles Hill uranium deposit in Pittsylvania County:

> "*There are sufficient resources to support a uranium mining industry in Pittsylvania County with enough to meet the fuel needs of Virginia's current generation... Virginia should assess the potential value of and regulatory needs for uranium production in Pittsylvania County*."

During the 2008 General Assembly in Virginia, Virginia Uranium supported legislation that proposed a study of uranium development in the state that followed the recommendations of the Virginia Energy Plan that was published in September 2007. While the Virginia Senate approved a uranium study bill on February 12, 2008 by a vote of 36 in favor and 4 opposed, the legislation was subsequently tabled during a hearing of the Rules Committee in the Virginia House of Delegates. Thus, the uranium study bill was not approved. In November 2008, the Virginia Coal and Energy Commission created a sub-committee to evaluate uranium mining. The sub-committee is expected to engage the National Academy of Sciences to undertake a study with an anticipated duration of one to two years. The Virginia Coal and Energy Commission will make a recommendation to the legislation based on the outcome of the study. Since Virginia has a bicameral legislature, bills must be approved by both the House and the Senate. The Governor must then sign the bill for it to become enacted into law.

To balance the picture, in addition to a relying on the generation of electricity from reactors sited at Surry and North Anna, Virginia has a strong history in other phases of the nuclear fuel industry. Norfolk is home to nuclear powered aircraft carriers and submarines. Portsmouth is home to the Northrop Grumman's shipyard that recently built and commissioned the nuclear aircraft carrier, the USS George Bush. On October 23, 2008, Northrop Grumman and AREVA announced that they have joined forces to build a new manufacturing and engineering facility in Newport News to establish a world-class facility to manufacture heavy components for the U.S. Evolutionary Power Reactor (EPR), AREVA's Generation III + nuclear reactor. Nor is mining new to Virginia which, ranked nationally, was tenth in the production of coal and fifth in the production of crushed stone.

17.0 INTERPRETATION AND CONCLUSIONS

CHUP is an advanced stage exploration project that was brought to the feasibility study stage by Marline, with joint venture participation by Union Carbide in the SCHD portion of the Project.

Behre Dolbear and PAC have reviewed the results from the limited core data and concur with an assumption that the deposit is close to equilibrium in the area reviewed. The possibility of the occurrence of zones out of equilibrium exists.

A potential to delineate additional resources for the NCHD and SCHD exists and expansion should be pursued. Some upgrading of the confidence level of resources from Indicated to Measured may be achieved by re-entering old drill holes and performing a down hole directional survey. The level of confidence and reliability of earlier work is high enough that further confirmation drilling and verification is not important at this stage of development.

18.0 RECOMMENDATIONS

18.1 SCOPE OF INVESTIGATION

To provide a basis for a scoping and pre-feasibility study, Virginia Uranium proposes the following tasks:

18.1.1 Resources

1) Create a preliminary mine development plan using the data available.
2) Study the reports of prior surface geophysical surveys and, if the results indicate an association to uranium mineralization or deposit geometry, conduct appropriate surface surveys to better delineate the deposits and/or indicate new ones.

18.1.2 Metallurgical Testing, Process Selection, and Study

1) Conduct metallurgical testing to confirm the production of a commercially acceptable product and aid in the selection of a production process. A sample of about 200 pounds per process method may be sufficient to perform this testing.
2) Analyze various economic, regulatory, and environmental trade-offs between acid and alkaline leaching under current and expected future conditions.
3) Prepare a scoping study on the potential to utilize radiometric sorting and other methods to increase mill feed grade and to assist in equipment design and selection.

18.2 PHASES

18.2.1 Phase 1 Delineation, Scoping, and Pre-Feasibility Studies

Conduct a Phase 1 program to upgrade the project to the scoping and pre-feasibility stage by computer modeling using existing data, metallurgical testing, engineering studies, and some pre-permitting activities. Phase 1 will not include any new drilling but may include evaluation of existing core and other studies.

The proposed Phase 1 program is estimated to require a budget of about US$3,068,400 (Table 18.1), and estimated to require 9 to 12 months to complete, with some of the program continuing into Phase 2.

TABLE 18.1 PHASE 1 – PROGRAM AND BUDGET (9 TO 12 MONTHS)			
Task	**Description**	**Amount**	**Estimated Cost (US$)**
Staff			1,075,000
Scoping and Pre-feasibility Studies	Mine, mill and tailings management		500,000
Supplies and Equipment			100,000
Permitting and Environmental	Exploration permit activities		95,000
Reporting and Engineering			50,000
Data Compilation and Entry			20,000
Resource Estimate			60,000
Scoping Metallurgical Study			100,000
Drafting			40,000
General Corporate and Other			517,000
Contingency (20%)			511,400
Total – Phase 1 (US$)			**3,068,400**

18.2.2 Phase 2 Delineation and Feasibility Studies

Virginia Uranium proposes a Phase 2 program consisting of continuation of baseline environmental studies, further drilling of about 35 holes or 42,000 feet, advanced metallurgical testing, and engineering studies required for a feasibility study. The location of the first set of proposed drill holes is shown on Figures 9.1, 9.2, and 9.3. Once mining regulations are established, a feasibility study will be completed and reserves will be estimated.

A budget of US$9,206,400 is estimated for the Phase 2 program (Table 18.2). The amount of drilling required will depend on the success of the Phase 1 drilling program. The Phase 2 drill program will be constructed on the basis of Phase 1 results, with input from the engineering firm selected to complete the feasibility study.

TABLE 18.2
PHASE 2 – PROGRAM AND BUDGET
(12 TO 24 MONTHS)

Task	Description	Amount	Estimated Cost (US$)
Staff			**1,075,000**
Roads, Drill Sites, and Reclamation	Estimated 35 sites at $10,000 per drill site		350,000
Drilling: Core and Rotary Percussion	35 drill holes of an average 1,200 ft depth	42,000 ft	2,100,000
Sampling, Logging and Mapping	42,000 ft at average $10/ft		420,000
Geochemical Cost	20 holes of 100 one-foot samples at $50/sample		100,000
Surface Geophysics	Magnetics and other		350,000
Permitting and Environmental			225,000
Feasibility Study			2,500,000
Metallurgy and Mill Study			250,000
General Corporate and Other			302,000
Contingency			1,534,400
Total – Phase 2 (US$)			**9,206,400**

18.3 OPINION OF MERIT AND RECOMMENDATIONS

18.3.1 Opinion of Merit

The property has sufficient merit to proceed with the proposed Phase 1 and Phase 2 programs. The deposit has sufficient merit to warrant resolving mining regulatory issues before starting a feasibility study.

18.3.2 Additional Study

Study of the geometry, continuity, and equilibrium of uranium mineralization should continue to allow determination of mining techniques and estimation of extraction costs for use in a pre-feasibility study.

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20.0 DATE AND SIGNATURE

Signed and stamped at Denver, Colorado, this 29th day of April 2009.

"Original document signed and sealed by Robert D. Maxwell"

Robert D. Maxwell
Behre Dolbear & Company, Ltd.

Signed and stamped at Denver, Colorado, this 29th day of April 2009.

"Original document signed and sealed by Betty L. Gibbs"

Betty L. Gibbs
Behre Dolbear & Company, Ltd.

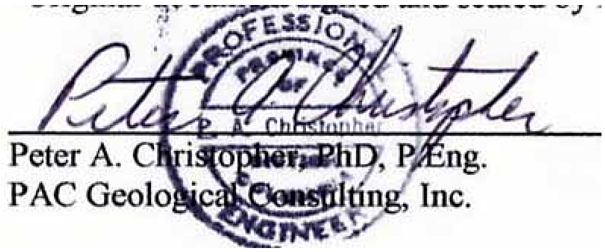
Signed and stamped at Denver, Colorado, this 29th day of April 2009.

"Original document signed and sealed by Thomas C. Pool"

Thomas C. Pool
Behre Dolbear & Company, Ltd.

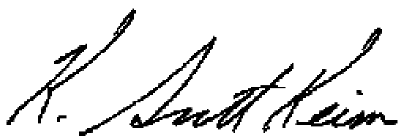
Signed and stamped at Vancouver, British Columbia, this 29th day of April 2009.

“Original document signed and sealed by Peter A. Christopher, PhD, P.Eng.”



Signed and stamped at Bluefield, Virginia, this 29th day of April 2009.

“Original document signed and sealed by Scott Keim”



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CERTIFICATE OF AUTHOR

Peter A. Christopher

I, Peter A. Christopher, with business address at 3707 West 34th Avenue, Vancouver, British Columbia, do hereby certify that:

1) I am a Consulting Geological Engineer Registered (#10,474) with the Association of Professional Engineers and Geoscientists of British Columbia since 1976.
2) I am a Fellow of the Geological Association of Canada.
3) I hold a B.Sc. (1966) from the State University of New York at Fredonia, an M.A. (1968) from Dartmouth College, and a Ph.D. (1973) from the University of British Columbia.
4) I have been practicing my profession as a Geologist for over 35 years and as a Consulting Geological Engineer since June 1981. I have authorized over 300 qualifying engineering and exploration reports and over 20 professional publications. I have work experience in most areas of the United States, Canada, Papua New Guinea, Madagascar, Philippines, Mexico, and several other Latin American countries. I have worked on uranium exploration projects in Saskatchewan, British Columbia, NWT, Washington State, Wyoming, Eastern USA, and Madagascar. As a result of my experience and qualifications, I am a qualified person as defined in National Instrument 43-101.
5) I have no direct or indirect interest, nor do I expect to receive any interest directly or indirectly, in the properties or securities of Virginia Uranium, Inc and Santoy Resources, Ltd. I am independent of Virginia Uranium, Inc. and Santoy Resources, Ltd in accordance with the application of Section 1.4 of National Instrument 43-101.
6) I am responsible for preparation of all but sections 14.0 and 15.0 of the report entitled “Technical Report on the Coles Hill Uranium Property, Pittsylvania County, Virginia” dated April 29, 2009. I have based this report on previous uranium exploration experience, review of listed references and sources of information and site examinations on February 23 and 24, 2006, January 16, 2007 and May 12, 2008. I had no work experience on the Coles Hill Uranium Project prior to February 23, 2006.
7) As of the date of my certificate and to the best of my knowledge, information, and belief, the Technical Report contains all the scientific and technical information that is required to be disclosed to make the Technical Report not misleading.
8) I have read National Instrument 43-101, Form 43-101F1 and prepared a Technical Report in compliance with National Instrument 43-101.
9) I consent to the filing of the “Technical Report on the Coles Hill Uranium Property, Pittsylvania County, Virginia” dated April 29, 2009 by Virginia Uranium, Inc. and/or Santoy Resources, Ltd. with any stock exchange and other regulatory authority in connection with Virginia Uranium’s public offering and for compliance purposes.

Signed and Sealed in Vancouver, British Columbia, the 29th day of April 2009.

’eter A. Christopher, PhD, P.Eng.
’AC Geological Consulting, Inc.

CERTIFICATE OF AUTHOR

Robert D. Maxwell

I, Robert D. Maxwell, do hereby certify that:

1) I am a Senior Associate of Behre Dolbear & Company (USA), Inc. with a business address of 999 Eighteenth Street, Suite 1500, Denver, Colorado 80202, USA.
2) I am a graduate of Texas Western College with a Bachelor of Science in the Sciences with a Geology major, 1964 and The University of Colorado at Denver with a Master of Business Administration, 1991.
3) I am certified as Profession Geologist #10903 by the American Institute of Professional Geologists.
4) I have worked as a geologist and a mineral property evaluator. My relevant experience for the purpose of the Technical Report is:

   Project Manager for resource evaluation for possible acquisitions or joint ventures of:
   - Akdala and South Inkai Kazakhstan uranium deposits for a confidential client,
   - BHP Billiton Ambrosia Lake uranium holdings,
   - Strathmore Ambrosia Lake uranium holdings for a confidential client,
   - Uranium Resources, Inc. Grants mineral belt uranium holdings;

   Principal Investigator for resource evaluation for possible acquisitions or joint ventures of:
   - Homestake Mining Company Ambrosia Lake uranium holdings for Conoco,
   - Bokum Corp. New Mexico uranium holdings for Conoco,
   - Susquehanna Western Inc. south Texas uranium holdings for Conoco,
   - Florence Arizona copper deposit for Conoco,
   - Pathfinder Mines Wyoming uranium holdings for Cogema,
   - Milwaukee Railroad northwestern USA minerals for ITT Rayonier,
   - Kemmerer Coal Wyoming coal for Marathon Oil Company.
5) I have read the definition of “qualified person” as set out in National Instrument 43-101 (NI 43-101) and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a “qualified person” for the purposes of NI 43-101.
6) I am responsible for the coordination of efforts by Behre Dolbear professionals and all sections of the “Technical Report on the Coles Hill Uranium Property, Pittsylvania County, Virginia” dated April 29, 2009. I visited the property October 12, 2007 and March 17, 2008.
7) I have had no prior involvement with the property that is the subject of the Technical Report.
8) As of the date of this certification, to the best of my knowledge, information, and belief, my section of Technical Report contains all scientific and technical information that is required to be disclosed to make the report not misleading.
9) I am independent of Virginia Uranium Inc. and/or Santoy Resources, Ltd as set out in Section 1.4 of National Instrument 43-101.
10) I have read National Instrument 43-101F1, and the Technical Report has been prepared in compliance with National Instrument 43-101 and Form 43-101F1.
11) I consent to the filing of this Technical Report with any stock exchange and other regulatory authority and any publication by them, including electronic publication in the public company files on their websites accessible by the public.

Signed and Sealed in Casper, Wyoming, USA, the 29th day of April 2009.

Robert D. Maxwell, CPG #10903

CERTIFICATE OF AUTHOR

Thomas C. Pool

I, Thomas C. Pool, P.E., as an author of this report titled "Technical Report on the Coles Hill Uranium Property, Pittsylvania County, Virginia" prepared for Virginia Uranium and dated February 2, 2009 do hereby certify that:

1) I am an Associate Mining Engineer with Behre Dolbear & Company (USA), Inc., 999 Eighteenth Street, Suite 1500, Denver, Colorado 80202, USA.
2) I am a graduate of the Colorado School of Mines with a professional degree in Mining Engineering.
3) I am registered as a Professional Engineer in the State of Colorado (Reg. #12108). I have worked as a mining engineer for a total of 40 years since my graduation. My relevant experience for the purpose of the Technical Report is approximately 34 years as a consultant in the uranium industry, having evaluated scores of projects throughout the world.
4) I have read the definition of "qualified person" set out in National Instrument 43-101 (NI 43-101) and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101.
5) I visited the property on June 20, 2007.
6) I am responsible for preparation of Section 14.0 – Mineral Processing and Metallurgical Testing of this Technical Report entitled "Technical Report on the Coles Hill Uranium Property, Pittsylvania County, Virginia" dated April 29, 2009.
7) I am independent of Virginia Uranium Inc. and/or Santoy Resources, Ltd applying the test set out in Section 1.4 of National Instrument 43-101.
8) I have had previous involvement with the property that is the subject of the Technical Report as a participant in a review of chemical versus radiometric data in the early 1980s with a previous employer, Douglas Robertson & Associates.
9) I have read National Instrument 43-101, and the Technical Report has been prepared in compliance with National Instrument 43-101 and Form 43-101F1.
10) As of the date of this certificate, to the best of my knowledge, information, and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the technical report not misleading.
11) I consent to the filing of this Technical Report with any stock exchange and other regulatory authority and any publication by them, including electronic publication in the public company files on their websites accessible by the public.

Signed and Sealed in Denver, Colorado, USA, the 29th day of April 2009.

Thomas C. Pool, P.E.

CERTIFICATE OF AUTHOR

Betty L. Gibbs

I, Betty L. Gibbs do hereby certify that:

1) I am a Senior Associate of Behre Dolbear & Company (USA), Inc. with a business address of 999 Eighteenth Street, Suite 1500, Denver, Colorado 80202 U.S.A.
2) I am a graduate of Colorado School of Mines with an Engineer of Mines degree in 1969, and a Master of Science degree in 1972.
3) I am registered as a Qualified Person with the Mining and Metallurgical Society of America (MMSA).
4) I have worked as a mining engineer and ore reserves specialist. My relevant experience for the purpose of the Technical Report is:

   Project Manager for resource evaluation for possible acquisitions or joint ventures of:
   - COMINAK uranium mine in Niger, Africa for confidential client (for debt placement).
   - American Gilsonite Mine operations purchase due diligence, for confidential client

   Principal Investigator for database development, resource evaluation, mine planning, technical systems evaluation, and software management:
   - Star Hill Project for Aurelio,
   - Deer Trail gold vein deposit, Unico,
   - Hollister project gold vein deposit, Great Basin Gold,
   - American Colloid Corporate technical data management systems evaluation,
   - Rio Algom, data capture and preliminary evaluations for several uranium projects,
   - Conquista uranium project for Conoco Minerals,
   - Gulf Minerals, ore reserves and mine planning on coal and uranium projects, and
   - Climax Molybdenum, mine engineering and planning for open pit and underground molybdenum operation.
5) I have read the definition of "qualified person" as set out in National Instrument 43-101 (NI 43-101) and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101.
6) I am responsible for the coordination of efforts by Behre Dolbear professionals and preparation of Section 15.0 – Mineral Reserve and Mineral Resources of the "Technical Report on the Coles Hill Uranium Property, Pittsylvania County, Virginia, United States of America" dated April 29, 2009. I visited the property August 20, 2007.
7) I have had no prior involvement with the property that is the subject of the Technical Report.
8) As of the date of this report, to the best of my knowledge, information, and belief, my contribution to the Technical Report contains all scientific and technical information that is required to be disclosed to make the report not misleading.
9) I am independent of Virginia Uranium, Inc. and/or Santoy Resources, Ltd as set out in Section 1.4 of National Instrument 43-101.
10) I have read National Instrument 43-101F1, and the Technical Report has been prepared in compliance with National Instrument 43-101 and Form 43-101F1.
11) I consent to the filing of this Technical Report with any stock exchange and other regulatory authority and any publication by them, including electronic publication in the public company files on their websites accessible by the public.

Signed and Sealed in Denver, Colorado, USA, the 29th day of April 2009.

Betty L Gibbs

Betty L. Gibbs, MMSA QP #1164

CERTIFICATE OF AUTHOR

K. Scott Keim

I, K. Scott Keim, with business address at Marshall Miller and Associates, Inc., 534 Industrial Park Road, Bluefield, Virginia 24605, do hereby certify that:

1) I am a Consulting Geologist Registered (7504) with the American Institute of Professional Geologists.
2) I am a Certified Professional Geologist in the States of Virginia, Kentucky, and Kansas.
3) I hold a Bachelor of Science – Geosciences (1981) from The Pennsylvania State University, University Park, Pennsylvania.
4) I have been practicing my profession as a Geologist for over 27 years and as a Consulting Geologist since 1982. I have authorized over 500 qualifying engineering and exploration reports, and over 10 professional publications. I have resource estimation experience in the United States, Canada, Venezuela, Mexico, China, Czech Republic, and Turkey. As a result of my experience and qualifications, I am a qualified person as defined in National Instrument 43-101.
5) I am independent of Virginia Uranium, Inc. and/or Santoy Resources, Ltd as set out in Section 1.4 of National Instrument 43-101. I have no direct or indirect, nor do I expect to receive any such interest in the properties of Virginia Uranium, Inc. or Santoy Resources, Ltd.
6) I am responsible for Marshall Miller & Associates' preparation of the Virginia Uranium resource estimate in Section 15.0 – Mineral Reserve and Mineral Resources of the “Technical Report on the Coles Hill Uranium Property, Pittsylvania County, Virginia, United States of America” dated April 29, 2009.
7) I have visited the Coles Hill Uranium Property on multiple occasions in 2008 as has Marshall Miller & Associates staff that is under my direct supervision.
8) I have read National Instrument 43-101, Form 43-101F1 and prepared this Technical Report in compliance with National Instrument 43-101.
9) As of the date of this report, to the best of my knowledge, information, and belief, my contribution to the Technical Report contains all scientific and technical information that is required to be disclosed to make the report not misleading.
10) I consent to the filing of this Technical Report with any stock exchange and other regulatory authority and any publication by them, including electronic publication in the public company files on their websites accessible by the public.

Signed and Sealed in Bluefield, Virginia USA, the 29th day of April 2009.

K. Scott Keim

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K. Scott Keim
AIPG #7504