



**EUROPEAN URANIUM**  
RESOURCES LTD.



**PORTEX**

FOR IMMEDIATE RELEASE  
December 9, 2013

## **EUROPEAN URANIUM RESOURCES LTD. TO MERGE WITH PORTEX MINERALS INC.**

Vancouver, December 9, 2013 – European Uranium Resources Ltd. ("EUU") (TSXV: EUU) and Portex Minerals Inc. ("PAX") (CNSX: PAX) announce that they have entered into a binding Letter of Intent dated December 6, 2013 (the "Binding LOI") to merge (the "Merger") through a plan of arrangement under which EUU will acquire all of the outstanding common shares of PAX in exchange for EUU common shares. The merged company will be named European Minerals Inc. ("European Minerals" or the "merged company") and will be a Europe-focused company with a diverse, multi-commodity portfolio of exciting exploration and development projects.

"European Minerals will be a Europe-focused company with a unique portfolio of exploration and development projects in base metals, precious metals and uranium", said Dorian L. (Dusty) Nicol, CEO of EUU. "The merged company's projects will have tremendous geologic potential for discovery, both by addition to existing resources and by discovery of new deposits."

"Portex looks forward to continuing its exploration and development strategy with its new partners at EUU. We believe that the Merger will benefit the shareholders of both companies", commented Peter F. Chodos, President and CEO of Portex.

### **Summary of the Binding LOI and the Merger**

Pursuant to the Binding LOI, EUU will acquire all of the issued and outstanding PAX shares pursuant to a plan of arrangement under the Business Corporations Act (Ontario) under which EUU will acquire all of the issued and outstanding shares of PAX. Under the plan of arrangement, PAX shareholders will receive 0.6 of an EUU common share in exchange for each PAX common share and PAX will become a wholly-owned subsidiary of EUU. Under the Binding LOI, EUU and PAX have agreed that, upon completion of the Merger, EUU will change its name to European Minerals Inc. The Merger will be classified as a reverse takeover under the rules of the TSX Venture Exchange (the "TSXV" or the "Exchange") and trading in EUU's shares will be halted until TSXV requirements are met. The CNSX may also halt trading in PAX's shares for a similar period.

Upon completion of the Merger, PAX shareholders would hold approximately 65% of European Minerals, with the remaining 35% being held by EUU Shareholders (assuming that each of the GRIT Financings, described below, is completed prior to closing but that no other additional shares of EUU or PAX have been issued). Subject to market conditions, EUU may conduct a private placement prior to closing of the Merger. If EUU determines to

European Uranium Resources Ltd.  
Unit 1 – 15782 Marine Drive  
White Rock, BC  
V4B 1E6

Portex Minerals Inc.  
Suite 2000, 2 Bloor Street West  
Toronto, ON  
M4W 3E2

proceed with any such financing, it will make a separate announcement in that regard. Any such financing is not expected to be conditional upon completion of the Merger. Based on the current cash positions of the parties, the merged company will require additional funds to support its exploration activities; EUU does not expect that it will receive the necessary approvals to complete the Merger unless additional funds become available to the merged company.

The Binding LOI will be superseded by a definitive agreement (the "Definitive Agreement") to be negotiated between the parties. The Binding LOI can be terminated prior to the parties entering into the Definitive Agreement in certain circumstances including if either party is not satisfied (acting reasonably) with the results of its respective due diligence investigations or if the parties fail to enter into the Definitive Agreement on or before December 20, 2013 (or such other date that EUU and PAX may agree). In addition, the Binding LOI may be terminated by either party if the board of directors of the other party does not recommend that its shareholders vote in favour of the Merger. The Binding LOI may also be terminated in certain other circumstances that are customary for a transaction of this nature.

The Binding LOI contemplates that the Definitive Agreement will provide that completion of the Merger will be subject to conditions, including obtaining all necessary approvals from the PAX and EUU securityholders, the Superior Court of Justice of Ontario and the TSXV, including the TSXV's approval for the listing of the merged company's shares on completion of the Merger, completion of the Merger by March 31, 2014 (or such other date as EUU and PAX may agree) and such other closing conditions customary for transactions of this nature as may be specified in the Definitive Agreement.

The Binding LOI contemplates that the Definitive Agreement will contain customary non-solicitation provisions in respect of each party (subject to "fiduciary out" provisions that entitle either party to consider and accept a superior proposal and a 5-business day "right to match" period) and provisions that each of the parties will pay a termination fee of \$400,000 upon the occurrence of customary termination fee events. The Binding LOI also provides for mutual non-solicitation covenants, with reciprocal termination payments of \$400,000 if either party terminates the Binding LOI to enter into an alternative transaction.

Copies of the Binding LOI will be filed with Canadian regulators and will be available at the SEDAR website at [www.sedar.com](http://www.sedar.com) under EUU's and PAX's profiles.

### **About PAX**

PAX, an Ontario incorporated company, is a Toronto-based mineral development company focused on the acquisition and development of base and precious metal properties in Europe. PAX currently has properties in Spain and Portugal and a large land position in Ireland and Northern Ireland. PAX's common shares are listed on the CNSX.

PAX's principal assets are the Toral zinc-lead-silver project in northwestern Spain's zinc district and Lagoa Salgada zinc-lead-copper-gold-silver project in Portugal, in the Iberian Pyrite Belt. Both of these properties have 43-101 compliant resource estimates and geologic potential to expand significantly. PAX also has a large exploration land position in Northern Ireland and the Republic of Ireland, holding ground believed to be geologically

prospective for base and precious metal deposits, including ground adjacent to Dalradian Resources' (TSX: DNA) Tyrone Project.

### **Business of the Merged Company**

EUU's flagship asset is currently the Kuriskova uranium project in Slovakia, which, according to a 43-101 compliant prefeasibility study completed in 2012, could be one of the lowest cost uranium producers in the world.

Following the Merger, the merged company will become a Europe-focused company with a diverse, multi-commodity portfolio of exciting exploration and development projects, ranging from early-stage exploration to prefeasibility, focused on base metals, precious metals and uranium. It is anticipated that the merged company will focus on advancing the base metal properties in its portfolio while continuing to advance the Kuriskova uranium project through key aspects of environmental studies in anticipation of a feasibility study to be completed in future.

### **The Principals of the Merged Company**

Pursuant to the Binding LOI, upon completion of the Merger the board of directors of European Minerals will consist of eight directors, four of which will be nominated by each of EUU and PAX. EUU's nominees will include Dorian (Dusty) Nicol. PAX's nominees will include Peter Chodos. The identities of the parties' other nominees are yet to be determined. The senior officers of EUU upon the completion of the Merger are expected to be:

Peter F. Chodos, currently President and CEO of PAX	Chairman
Dorian L. (Dusty) Nicol, currently President and CEO of EUU	Director, President and CEO
Len Goldsmith, currently CFO of EUU	Chief Financial Officer
Doris Meyer, currently secretary of EUU	Secretary

The backgrounds of the above individuals are as follows:

#### **Peter F. Chodos**

Peter F. Chodos is a director and the President and Chief Executive Officer of PAX. Mr. Chodos also serves as Executive Vice President, Corporate Development for Chieftain Metals Inc. He has over 30 years' experience in the financial markets primarily in Canada but also in the United States and the United Kingdom. He has completed many merger and acquisition transactions as well as private and public financings and restructurings. In 2004, Mr. Chodos co-founded Mt. Auburn Capital Corp., a structured products firm. From July 2006 to February 2009, Mr. Chodos was a Managing Director of BluMont Capital Corporation, a provider of alternative investment products to retail investors in Canada. Most recently, he was the President and Chief Executive Officer of a publicly listed mining merchant bank. Mr. Chodos has a B.Comm from McGill University and a Masters of Business Administration from Harvard University. He is a Chartered Accountant and Chartered Professional Accountant (Canada) and a Chartered Business Valuator.

### **Dorian L. (Dusty) Nicol**

Dorian L. (Dusty) Nicol is a director and the President and Chief Executive Officer of EUU. Mr. Nicol has a B.Sc. in geology from M.I.T. and a Master's Degree in Geology from Indiana University. He is an exploration geologist with over 30 years of international experience in mineral exploration and mine development. Mr. Nicol speaks six languages including fluent Spanish and Portuguese. In 1997, Mr. Nicol joined Queenstake Resources Ltd., first as V.P. Exploration and then as President and Chief Executive Officer until 2005, when, after a merger, he became Executive V.P. Exploration and a Director of Yukon-Nevada Gold Corp. until July 2008. Previous other positions held by Mr. Nicol were Latin America Manager for Canyon Resources; V.P. Exploration for Castle Exploration with programs in Central America and Africa, and exploration positions with Exxon Minerals and Renisson Gold Fields in Papua New Guinea. He is a member of the American Institute of Professional Geologists and a Fellow of the Society of Economic Geologists.

### **Len Goldsmith**

Len Goldsmith is the Chief Financial Officer of EUU. Prior to becoming the Chief Financial Officer of EUU in October 2013, Mr. Goldsmith had served as EUU's controller since 2009. Mr. Goldsmith is a Certified General Accountant, Chartered Professional Accountant (Canada), and Accredited Chartered Certified Accountant (UK) with more than twenty-five years' experience, much of which has been in the mineral exploration sector. Mr. Goldsmith holds the position of Chief Financial Officer for several mining companies trading on the TSX and TSX Venture stock exchanges.

### **Doris Meyer**

Doris Meyer is the Secretary of EUU. She was Chief Financial Officer of EUU before retiring in October 2013. Ms. Meyer has been a Canadian Certified General Accountant since 1985. Ms. Meyer is the owner and founder of Golden Oak Corporate Services Ltd. Golden Oak has provided publicly traded mineral exploration companies with administrative, financial reporting and corporate compliance services since October 1996. Ms. Meyer holds the position of Corporate Secretary and in some cases as a director of several mineral exploration companies trading on the AIM, TSX and TSX Venture stock exchanges.

### **GRIT Financings**

EUU and PAX have recently announced financings (the "GRIT Financings") of \$1.25 million and \$2.4 million, respectively, from Global Resources Investment Limited ("GRIL").

GRIL has been established to exploit investment opportunities in the junior mining and natural resources sectors worldwide, with an investment objective to generate medium and long-term capital growth. GRIL will re-register as a public company and be constituted as an investment trust with the name Global Resources Investment Trust Plc ("GRIT") and seek admission of its ordinary shares on the main market for listed securities on the London Stock Exchange.

On November 7, 2013, EUU announced that it had re-negotiated its previously private placement with GRIL and had agreed to acquire 751,744 ordinary shares of GRIL ("GRIT

Shares") in exchange for 12,500,000 newly issued EUU shares common shares at \$0.10 per share. GRIT will own approximately 19.3% of EUU after its GRIT Financing transaction, on a non-diluted basis. The EUU shares issued under the GRIT Financing will be subject to a 4-month hold period.

EUU intends to then sell its GRIT Shares from time to time in accordance with applicable securities laws, through the facilities of the London Stock Exchange, in order to generate cash. EUU intends to use the proceeds from any such sales to advance its Kuriskova uranium project in Slovakia, for working capital and general corporate purposes.

As Portex announced on September 24, 2013, that it had also entered into an agreement with GRIT. Portex has agreed to acquire 1,443,348 GRIT Shares in exchange for 40,000,000 newly issued Portex common shares. GRIT will own approximately 19.5% of Portex after its GRIT Financing is transaction, on a non-diluted basis. The Portex shares issued under the GRIT Financing will be subject to a 4-month hold period.

Closing of the each of the GRIT Financings is subject to a number of conditions precedent, including approval of the TSX Venture Exchange (in the case of EUU), and GRIT successfully listing on the London Stock Exchange.

#### **Additional Information**

Dorian (Dusty) Nicol, a director and the President and CEO of EUU, holds approximately 5.4% of the issued and outstanding shares of PAX (pre-GRIT Financing). Peter Bojtos, a director of EUU, holds approximately 0.076% of the issued and outstanding shares of PAX (pre-GRIT Financing), respectively. Due to their respective interest in EUU, Messrs. Nicol and Bojtos abstained from voting on the EUU Board resolution to approve the Binding LOI.

Subject to and upon completion of the respective GRIT Financings, GRIT will become an insider of each of EUU and PAX, holding approximately 19.3% of the issued and outstanding shares of EUU and approximately 19.5% of the issued and outstanding shares of PAX. Assuming that each of the GRIT Financings completes and that GRIT does not dispose of any of the shares it acquires thereunder, and that neither EUU nor PAX issues any further shares prior to completion of the Merger, GRIT is expected to be an insider of the merged entity.

The Merger may require a sponsoring broker member of the TSVX. EUU is looking into whether an exemption from this requirement may be available.

*Completion of the transaction is subject to a number of conditions, including Exchange acceptance and disinterested Shareholder approval. The transaction cannot close until the required Shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.*

*Investors are cautioned that, except as disclosed in the Management Information Circular to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of EUU should be considered highly speculative.*

*The TSX Venture Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.*

### **About European Uranium Resources Ltd.**

European Uranium Resources Ltd. is a dedicated European uranium exploration and development company that has built a portfolio of outstanding projects in Slovakia. European Uranium is well placed to become the key uranium exploration and development company in Europe. Europe is the world's largest per capita consumer of uranium with 160 reactors and more under construction or planned, but with only one currently operating uranium mine. A 43-101 prefeasibility study completed by Tetra Tech, Inc. indicates that Kuriskova could be built and operated using Best Available Technology for environmental protection and still have among the lowest production costs per pound of uranium in the world. European Uranium has a strong base of supportive shareholders including AREVA, ranked first in the global nuclear power industry and a key player in uranium mining and nuclear operations on a world-wide basis.

### **About Portex Minerals Inc.**

Portex is a Toronto-based mineral development company focused on the acquisition and development of base and precious metal properties in Europe. Portex currently has properties in Spain and Portugal and a large land position in Ireland and Northern Ireland.

### **Cautionary Statement Regarding Forward Looking Information**

Except for statements of historical fact, this news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "will", "could" and other similar words, or statements that certain events or conditions "may" occur. In particular, forward-looking information in this press release includes, but is not limited to, statements with respect to the expectations of management regarding the Merger, the respective interests of the PAX and EUU shareholders in the merged company, the completion of the GRIT Financings, the mineral potential of the mineral rights held by EUU and PAX, the proposed name change, execution of the Definitive Agreement, preparation of the information circular, shareholder approval of the Merger, the proposed reverse takeover and name change, the timing for removal of the trading halt on EUU's shares, the business of the resulting issuer upon completion of the Merger, and TSXV approval of the Merger, including the proposed reverse takeover. Although EUU and PAX believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. Such forward-looking statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements including, without limitation, the risks that TSXV may not approve the Merger; the shareholders of EUU and/or PAX may not approve the Merger, including the proposed reverse takeover; the parties may not be satisfied with their due diligence investigations, the parties may be unable to agree upon and even if agreed, satisfy all of the conditions to closing, the Definitive Agreement; the TSXV may not approve the technical report(s) regarding the merged company's material properties; either or both of the GRIT Financings may not complete and EUU may not be able to retain a sponsor if required.

EUROPEAN URANIUM RESOURCES LTD.

*"Dusty Nicol"*

Dorian L. (Dusty) Nicol, President and CEO

For further information please contact: Dorian (Dusty) Nicol, at (604) 536-2711, or visit [www.euresources.com](http://www.euresources.com).

PORTEX MINERALS INC.

*"Peter F. Chodos"*

Peter F. Chodos, President and CEO

For further information please contact: Peter F. Chodos, at (416) 479-5417, or visit [www.portexminerals.com](http://www.portexminerals.com).