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## Virginia Uranium, Inc. Files State Lawsuit Challenging Constitutionality of Virginia's Ban on Uranium Mining

Virginia Energy Resources Inc. (TSX.V: **VUI**; OTCQX: **VEGYF**) ("**Virginia Energy**" or the "**Company**") reports that its subsidiary, Virginia Uranium, Inc., the Chatham, Virginia-based company that owns one of the world's largest uranium resources, located in Pittsylvania County, has filed a lawsuit in the Circuit Court of Wise County, Virginia, against Governor Terry McAuliffe and other officials of the Commonwealth. The suit asks the court either to order the Commonwealth to permit the plaintiffs to exercise their fundamental property right, under Virginia's Constitution, to mine uranium situated on their property, or to provide compensation for taking plaintiffs' property.

"We have worked exhaustively for years to satisfy concerns about our plan from our neighbors, local elected officials, state legislators and other public officials," said Virginia Uranium, Inc. President and CEO Walter Coles, Sr. "We have made clear that we intend to construct and operate the safest and most modern uranium mining operation in the world. However, the decision by state elected officials to preserve a ban that prohibits us even from applying for a permit to mine uranium has forced us to turn to the courts for remedy. Our goal is, and always has been, to responsibly tap a natural resource on our own private land as a business enterprise that will reward investors as well as strengthen our regional and state economies and contribute to national security by providing a clean, domestic energy source."

The Washington law firm of Cooper & Kirk filed the suit November 25, 2015 in the Circuit Court of Wise County. The plaintiffs are Virginia Uranium, Inc., Coles Hill, LLC, Bowen Minerals, LLC and Virginia Energy Resources, Inc.

In filing the suit, Charles Cooper of Cooper & Kirk stated, "Substantial sums of money have been invested by the Plaintiffs in their effort to develop the valuable deposit of uranium beneath their land. Virginia's ban, however, amounts to an absolute bar to mining uranium, preventing Plaintiffs even from taking the basic step of applying for a mining permit. This is a clear, unconstitutional taking of Plaintiffs' private property. Under the Virginia Constitution, the Plaintiffs are entitled to an order invalidating the ban on uranium mining or, at a minimum, an award of just compensation for the full value of their mineral reserve."

In August 2015, the company filed a lawsuit in federal court against the Commonwealth of Virginia. That suit seeks injunctive relief for the plaintiffs, who have requested the court declare Virginia's 33-year-old ban on the development of uranium mining regulations in the Commonwealth null and void, based on the Supremacy Clause of the United States Constitution. Federal law exclusively governs radiological safety concerns related to uranium milling and tailings management, which are expressly allowed under a highly restrictive regulatory program.

The lawsuit filed this week in state court relies on the Virginia Constitution's declaration that the right to private property is fundamental, that private property can be taken only for a public, not a private, use, that only the amount of property necessary to achieve the public use may be taken, and that the Commonwealth must provide just compensation for the full value of the property taken. The mineral reserve beneath Coles Hill is a property interest worth \$6 billion – if the uranium is allowed by the Commonwealth to be mined. By taking the plaintiffs' right to mine the property's mineral estate, the suit claims, the state has taken a distinct property right from the plaintiffs.

The plaintiffs have made substantial investments in the project to show they intend to take whatever steps the law requires to bring it to fruition. With the ban lifted, Virginia Uranium would still be required to meet significant federal, state and local regulatory milestones before beginning mining operations at Coles Hill.

### **About Virginia Energy**

Virginia Energy Resources Inc. is a uranium development and exploration company. The company holds a 100% controlling interest in the advanced stage Coles Hill uranium project located in south central Virginia, USA.

On Behalf of the Board of Directors of

**VIRGINIA ENERGY RESOURCES INC.**

**Walter Coles, Sr.  
President & CEO**

#### Cautionary Note Regarding Forward-Looking Statements

Certain of the statements in this press release constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and "forward-looking information" within the meaning of applicable Canadian securities laws. Forward-looking information includes, but is not limited to, statements relating to filing of a lawsuit in federal court against the Commonwealth of Virginia. Forward-looking statements and information generally express predictions, expectations, beliefs, plans, projections, or assumptions of future events or performance, do not constitute historical fact and are subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in such statements. Forward-looking statements and information contained in this release are based on the beliefs, estimates, and opinions of management on the date the statements are made. There can be no assurance that such statements or information will prove accurate. Actual results may differ materially from those anticipated or projected. Virginia Energy expressly disclaims any intention or obligation to update or revise any forward-looking statements and information whether as a result of new information, future events or otherwise, except as otherwise required by applicable securities legislation. No production decision with respect to the Coles Hill project has been made nor will a production decision be made until Virginia Energy has received results from this lawsuit asking that the state's 33-year-old law banning the development of uranium mining be nullified.

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