

## Mergers Put Two Canadian Uranium Mining Companies Inside U.S. Market



*By Eileen Bircher*

(SP) Toronto - July 19, 2007 - "Mining merger mania", read the headline last week Friday in *The Independent*, which covered the story on the wave of mergers in the mining sector such as Rio Tinto's (NYSE: RTP) takeover of Alcan (TSX: AL) and this morning another deal crossed the wires when Bayswater Uranium Corporation (CDNX: BAY.V) said its merger with Kilgore Minerals Ltd. (CDNX: KAU.V) was approved by both companies shareholders. Bayswater said it expects the deal to be completed within 7 to 10 days.

The Australian rumour mill is now posing arguments for the takeover of Paladin Resources (TSX: PDN) by Canada's global uranium giant Cameco (TSX: CCO) and just a month ago, SXR Uranium One (TSX: SXR) entered into a deal to merge with Energy Metals (TSX: EMC) where SXR's CFO said in a radio interview on Mineweb Radio that the EMC deal was "strategic for SXR because of its presence in the United States", noting that the U.S. imports all of its uranium yet it represents 27-percent of the market, according to a story in Mineweb.

For Bayswater, the same story holds true. Its merger candidate, Kilgore, holds "advanced-stage" uranium properties in the United States as well.

Bayswater's President George Leary called the Kilgore merger an "exciting chapter" in Bayswater's history, calling the companies combined uranium holdings in the U.S. and Canada "a balanced portfolio of exploration and advanced-stage properties."