Mawson Resources Limited to Exchange Scandinavian Uranium Assets for Shares

07.12.2011 | CNW

VANCOUVER, Dec. 7, 2011 /CNW/ - Mawson Resources Limited ('Mawson' or the 'Company') Mr. Michael Hudson, President & CEO, announces that the Company has signed a letter of intent (the 'LOI') with Tournigan Energy Ltd. ('Tournigan') whereby Tournigan will acquire seven of Mawson's uranium exploration projects located in Sweden and Finland for aggregate consideration of 53,639,848 common shares of Tournigan (the 'TVC Shares'), representing approximately 20.5% of Tournigan's issued capital post-closing of the transactions.

Pursuant to the LOI, Tournigan has agreed that immediately prior to the acquisition AREVA, ranked first in the global nuclear power industry, a key player in uranium mining and one of Mawson's largest and most significant shareholders will participate in an exclusive private placement with Tournigan, enter into a Technical Services Agreement and nominate a representative to the Tournigan board. Subsequently, Tournigan will change its name to 'European Uranium Resources Ltd.' and complete a consolidation of its shares on a 1 new for 5 old basis.

The exchange of Mawson's non-core uranium interests pursuant to the LOI for shares in a dedicated uranium exploration and development company forms part of the reorganization of the business and capital of Mawson, together with the spin out of its Peruvian assets announced in the Company's news release of November 30, 2011. Subject to obtaining necessary approvals, Mawson will distribute the TVC Shares to its shareholders in conjunction with the spin out of its Peruvian assets and overall reorganization of its business and capital. Further details on these transactions will be announced as soon as all the legal, tax and procedural formalities are finalized.

The seven uranium projects that Tournigan will acquire are the Hotagen, Duobblon, Kapell and Aronsjö projects in Sweden and the Riutta, Asento and Nuottijärvi projects in Finland.

Mr. Hudson states, 'Mawson's 100% owned Rompas gold discovery in Finland has developed into a significant project that will take a majority of Mawson's focus and resources for the foreseeable future. The Board has therefore decided to exchange its non-core uranium interests for a significant shareholding in a dedicated European uranium exploration and development company with a strong shareholder and technical partner in AREVA, the largest integrated nuclear company in the world. On distribution of the shares, Mawson shareholders shall own approximately 20.5% of the restructured Tournigan which will continue as European Uranium Resources Ltd.'

The LOI is subject to normal conditions precedent for these types of transactions, including finalization of a formal purchase agreement, satisfactory due diligence by both parties and acceptance by regulatory authorities.

About Mawson Resources Limited

Mawson Resources Limited is a resource acquisition and development company. The Company has distinguished itself as a leading Scandinavian exploration company with a focus on the flagship Rompas gold project in Finland.

Shares Outstanding: 51,680,753. Cash: approximately C$11.0 million.

On behalf of the Board,

'Michael Hudson'
Michael Hudson, President & CEO

Forward Looking Statement.

The statements herein that are not historical facts are forward-looking statements. These statements *address future events and conditions and so involve inherent risks and uncertainties, as disclosed under the heading 'Risk Factors' in the company's periodic filings with Canadian securities regulators. Actual results could differ from those currently projected. The Company does not assume the obligation to update any forward-looking statement. The TSX Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.*

Investor Information

Mawson Resources Ltd.
www.mawsonresources.com
1305 - 1090 West Georgia St., Vancouver, BC, V6E 3V7
Company Contact: Mariana Bermudez +1 (604) 685 9316
Investor Relation Consultants - Mining Interactive
Nick Nicolaas+1 (604) 657 4058
Email: info@mawsonresources.com