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NEWS RELEASE

URACAN ANNOUNCES \$650,000 FINANCING

December 5, 2006

Trading Symbol: (TSX-V): URC

Vancouver, Canada, – Urcan Resources Ltd. (the "Company") is pleased to announce a private placement of 1,000,000 units with Sprott Asset Management at a price of \$0.65 per unit for total proceeds of \$650,000.

Each unit will consist of one common share and one common share purchase warrant. Each common share purchase warrant entitles the holder to acquire one common share of the Company at a price of \$.90 for two years from closing.

The proceeds from the private placement will be used by the Company to further advance its exploration work programs in Quebec and Saskatchewan and for general working capital purposes.

Closing of the financing is subject to all required regulatory approvals, including acceptance for filing by the TSX Venture Exchange.

For further information please contact:

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The TSX Venture Exchange has not reviewed, and does not accept responsibility for the adequacy or accuracy of the content of this news release.