

**TSX Venture Exchange Approves UCR Option Agreement for New Mexico Property**

**For Immediate Release**

**TSX.V: UCR**

**October 3, 2008 - Uranium City Resources Inc. ("UCR")**, is pleased to announce that the TSX Venture Exchange has now approved the previously announced (see Press Release of September 30, 2008) Option Agreement with Running Fox Resources (TSXv:RUN) whereby UCR can earn up to a 60% interest in 178 lode mining claims (over 3160 acres) located in a well known area of mineralization south and west of Albuquerque, New Mexico.

For UCR to earn a 50% interest, the modified terms of this Agreement as approved by the TSX Venture Exchange are as now as follows:

**Year 1**

- UCR to issue 1.5 million common shares to Running Fox Resources (TSXv:RUN) upon approval of Agreement
- UCR to undertake a US\$200,000 exploration program

**Year 2**

- UCR can elect to issue either 1 million common shares at a deemed value of \$0.15 or make cash payment of \$150,000 to Running Fox
- UCR to undertake a US\$200,000 exploration program

**Year 3**

- UCR can elect to issue either 1 million common shares at a deemed value of \$0.20 or make cash payment of \$200,000 to Running Fox
- UCR to undertake a US\$200,000 exploration program

In Year 3, UCR can earn an additional 10% interest (taking its total to 60%) by producing a bankable feasibility study.

**About Uranium City Resources**

Uranium City Resources is a Canadian based junior exploration company with existing projects in the Province of Saskatchewan. UCR has over 100,000 acres of exploration property in northern Saskatchewan. More information about UCR is available on line at [www.uraniumcityresources.com](http://www.uraniumcityresources.com)

**Forward looking statements:**

*This news release contains certain forward-looking statements. These forward-looking statements are subject to a variety of risks and uncertainties beyond UCR's control or prediction and could cause actual events or results to differ materially from those anticipated in such forward-looking statements. Although UCR believes that the assumptions inherent in the forward-looking statements are reasonable, undue reliance should not be placed on these forward-looking statements.*

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

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