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FOR IMMEDIATE RELEASE

June 2nd, 2006

Volcanic announces Letter of Intent for Northern Arizona Properties

TORONTO /CNW/ - Volcanic Metals Exploration Inc. (TSX-V: VME) (the "Company") through its wholly-owned US subsidiary, Energy Fuels Resources Corporation, ("Energy Fuels") and High Plains Uranium ("High Plains") are pleased to announce that they have executed a Letter of Intent ("LOI") to form a mining joint venture on one hundred ninety-one (191) unpatented mining claims (the "Properties") owned by High Plains located in Northern Arizona in the US.

Formation of the joint venture contemplated by the LOI is subject to the parties entering into a definitive agreement, approval by the respective boards of directors, and regulatory and exchange approval. If completed, Energy Fuels will be the operator under the direction of the joint venture partners. Energy Fuels will spend a designated amount over a period of up to six years to earn an eighty percent (80%) interest in the Properties.

Energy Fuels has a technical management team that have previously discovered and developed high-grade breccia pipe deposits in Northern Arizona. Energy Fuels will contribute this technical team in addition to its database in the development of the Properties.

Joint venture financial commitments by Energy Fuels will be primarily geared towards exploration of the Properties. If one or more ore deposits are identified, the balance of the financial commitments will be primarily geared towards the development of a production facility on the Properties.

"The property package fits with other properties within Energy Fuels and expands the scope and activities of Energy Fuels to the areas that have historically produced the highest grade U3O8 in the United States," said George Glasier, President & CEO of the Company.

High Plains Uranium is a Wyoming based uranium exploration and development company focused on the development of uranium deposits in Wyoming and Texas, which are amenable to In Situ Leach mining methods.

Volcanic Metals Exploration Inc. is a Toronto-based mineral exploration company in uranium & vanadium projects located in the State of Colorado through its wholly-owned subsidiary Energy Fuels Resources Corporation, and with gold, base metals and platinum group projects in Newfoundland and Quebec.

On behalf of the Board of Directors,

"Ian C. Peres" (signed)
Ian C. Peres, CFO and Director

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

This news release contains certain "Forward-Looking Statements" within the meaning of Section 21E of the United States Securities Exchange Act of 1934, as amended. All statements, other than statements of historical fact, included herein are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations are disclosed in the Company's documents filed from time to time with the British Columbia Securities Commission and the United States Securities & Exchange Commission.

Shares outstanding: 26,270,822

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