



FORMATION

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Highest Grade-Thickness of 295.9 Intercepted to Date on Formation Capital’s Virgin River Uranium Project

Vancouver, B.C. September 25, 2009 - Formation Capital Corporation (the "Company", FCO-TSX,) is pleased to provide its shareholders with an update on its Virgin River Uranium Project, as provided to the Company by project operator, Cameco Corporation. Located within the south-central portion of the Athabasca Basin in northern Saskatchewan, the project is a joint venture formed in 1998 between Formation Capital Corporation's wholly owned Canadian subsidiary, Coronation Mines Limited, Cameco Corporation and by AREVA Resources Canada Inc. Coronation Mines Limited owns 2% of the project with a right to increase its ownership of the project up to 10% under certain circumstances.

The highlight of the 2009 winter diamond drilling program was the broad zone of mineralization intersected in DDH VR-031W3 which returned a 0.1% grade-cutoff result of 8.73% U₃O₈ over 33.9 m = 295.9 Grade Thickness (grade thickness = GT= metres multiplied by % U₃O₈). This value is the highest interval attained on the project to date.

Centennial Deposit Grade Calculation Results Winter 2009

ICP OES split assay results with lost core intervals of greater than 75% replaced by shielded probe results

Drill Hole Number	From (m)	To (m)	Thickness (m)	Grade Cut-off %	Max Grade (%U ₃ O ₈)	Avg Grade (%U ₃ O ₈)	GT (mX%)
DDH VR-027W3	806.8	816.7	9.9	0.1	5.30	1.50	14.9
(includes)	807.3	815.0	7.7	1.0	5.30	1.85	14.2
DDH VR-027W4	797.0	829.2	32.2	0.1	20.28	2.48	79.9
(includes)	806.0	828.2	22.2	1.0	20.28	3.41	75.7
DDH VR-031W2	794.5	806.0	11.5	0.1	41.00	4.50	51.8
(includes)	796.6	800.0	3.4	1.0	41.00	14.70	50.0
(includes)	811.0	817.0	6.0	0.1	8.20	1.49	8.9
(includes)	812.3	815.5	3.2	1.0	8.20	2.53	8.1
DDH VR-031W3	797.0	830.9	33.9	0.1	28.40	8.73	295.9
(includes)	800.2	828.9	28.7	1.0	28.40	10.27	294.7
*DDH VR-031W1	790.9	808.7	17.8	0.1	35.45	7.62	135.6
(includes)	790.9	801.0	10.1	1.0	35.45	9.64	97.3
(includes)	804.7	808.7	4.0	1.0	18.95	9.38	37.5
*DDH VR-033W1	783.4	801.3	17.9	0.1	66.85	7.48	133.9
(includes)	790.0	801.3	11.3	1.0	66.85	11.58	130.9

*Note: Drill Holes VR-031W1 and VR-033W1 previously released in Company News Release dated March 26, 2009

The Centennial Deposit has now been traced over a known 650 m of strike length and appears to remain open to both the north and the south. Diamond drilling suggest the deposit has a minimum across strike width ranging from 5 m to 27 m and is currently open to the east and west on most sections.

The 2009 winter diamond-drilling program was designed to further outline the across strike width of mineralization along the currently defined 650 m strike length of the Centennial deposit. The program consisted of 4 wedge holes totaling 1,268 m and was carried out on two drill fences on lines L11+00N (DDH's VR-027W3 and -027W4) and L10+50N (DDH's VR-031W2 and -031W3).

(cont...)

The program was successful in extending mineralization an additional 16 m along L11+00N, to a minimum width of 27 m, and along L10+50N where mineralization was extended an additional 11 m to a minimum width of 24 m. In addition, winter 2009 drilling has further clarified the lithological and structural scenario of the Virgin River Domain basement within the north-central portion of the deposit. Drilling appears to have identified the structure controlling mineralization on the deposit which may prove to be an additional tool in vectoring to mineralization on the deposit.

In the Company's news release dated June 25, 2009, it was announced that a conceptual study was planned for the summer of 2009 to assist in determining the potential economic viability of a uranium deposit in this region of the Athabasca Basin. Cameco advised that the conceptual study will be undertaken in-house and within the current budget. The study will attempt to determine the minimum deposit size required for a stand-alone milling operation versus hauling ore to the existing Key Lake mill and is not expected to result in a resource calculation at this time. A budget of \$4.0 million for the 2009 winter and summer exploration programs was allotted where a summer, two drill, diamond drilling program is currently in progress on the Centennial Deposit. Results from that program will be released when available.

To date, over \$20 million has been spent on the project exploring for a large unconformity-type deposit that has resulted in the discovery of the Centennial Deposit. Project representatives are pleased with the success of the program and are looking forward to the results of the summer 2009 drill program.

All uranium assays were carried out by the Saskatchewan Research Council (SRC) of Saskatoon, Saskatchewan. Delayed neutron counting (DNC) U_3O_8 check assays were completed on all split assay samples returning greater than 1.0% U_3O_8 . The average of the DNC and the ICP-OES results were used in the calculations of grade thicknesses. Mr. Eric (Rick) Honsinger, P.Geo., of Formation Capital Corporation, is the Qualified Person who has reviewed and approved the content of this news release based on an examination of the data submitted to the Company by the project operator Cameco Corporation. A location map of the project and drill hole location plan map will be made available on the Company's website at <http://www.formcap.com/>.

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"Mari-Ann Green"

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C.E.O.

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