

11 January 2010

Grants Ridge Joint Venture Drilling Progress Initial Assay Results

Drilling has commenced at F33 project, and drilling has re-commenced at the Armijo Project following cessation of work in December.

Assay results from the initial 10 holes of the 218-hole drill program on Armijo have been received, with best results:-

6 metres @ 446 ppm U_3O_8 from surface, including 1 metre @ 1,533 ppm.

The planned Armijo drill program consists of 218 holes for 3,000 metres. The results to hand from the 10 holes drilled in December during commissioning of the drill rig are too few to provide a reliable indicator of grade or thickness to be expected from the project as drilling progresses, particularly as poor recovery was obtained from some of these initial holes.

The 48 1-metre limestone samples from the initial holes, which are located near the edge of the target Todilto Limestone, average 78 ppm U_3O_8 . The limestone intercepts average 4.8 metres in thickness which is seen as encouraging in comparison to the target thickness of 2 metres.

Completed assay results from drilling on both F33 and Armijo are anticipated to be available in February.

Kate Hobbs
MANAGING DIRECTOR

Competent Person

The information was reviewed by Mr Phill Schiemer, the Company's Exploration Manager, a full time employee of the Company. Mr Schiemer has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves. Mr Schiemer consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

