



28 January 2005

Uranium Project Applications

Yanrey Uranium Project

Scimitar Resources Limited (**ASX Code: SIM**), which Lists on ASX 10.00am WST today, has applied for three exploration licences to explore for sandstone hosted uranium mineralisation. These exploration licences are adjacent to the Paladin Resources Ltd (**ASX Code: PDN**) Manyingee deposit in the North West of Western Australia, 85 km inland from the coastal township of Onslow.

Manyingee is described by Paladin as an advanced uranium project with 400 holes completed and pre-feasibility studies, including trial field testing of in-situ leaching (ISL), completed in 1985. It is a typical stacked roll front deposit with mineralisation between 70 to 110m depth within Lower Cretaceous channel sediments.

Paladin has published an estimated indicated and inferred resource for Manyingee of **12,078t of U_3O_8 at 0.08% U_3O_8** .

Scimitar has applied for exploration licences covering a total of 1,000 sq km. The target will be similar mineralisation to that at Manyingee within the Birdrong Sandstone. Exploration by CRA Exploration Pty Ltd in the 1970's and early 1980's identified a 40 km redox front. This work also identified additional channel sequences prospective for uranium mineralisation utilising ground gravity surveys and open hole drilling.

The tenement applications cover the Bennett Channel prospect identified by CRAE, which is located 20 km southwest of the Manyingee deposit. The channel area was drilled using open hole and also diamond drilling with several significant high grade drill intersections including **0.35m at 0.41% (4.11 kg/t U_3O_8)**, **3.25m at 0.28% U_3O_8** and **1.45m at 0.14% U_3O_8** .

Scimitar intends to complete a detailed geological review of all previous exploration within the application area to identify areas prospective for sandstone hosted uranium deposits.

Terry Topping
Managing Director

Information in this report pertaining to mineral resources and exploration results was compiled by Mr T K Topping who is a Member of the Aus.I.M.M. with not less than five years experience in the relevant fields, and who consents to the report appearing in the form and context in which it appears.

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