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ASX Release

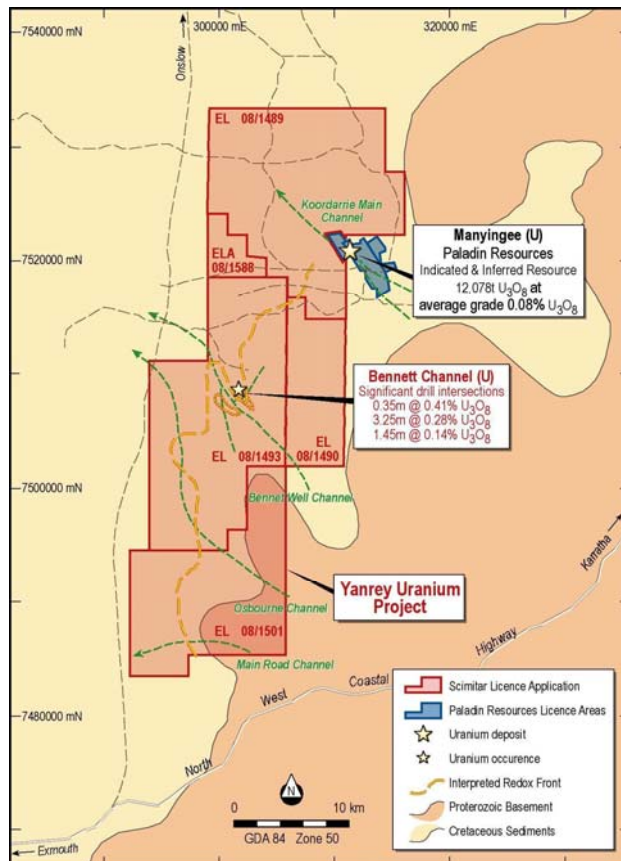
Tenements Granted in Western Australia

The directors of Scimitar Resources Ltd (Scimitar) (ASX code SIM) are pleased to announce that four Exploration Licences (08/1489, 08/1490, 08/1493 & 08/1501) have been granted by the Department of Primary Industry and Resources in Western Australia. These tenements which comprise the Yanrey Uranium Project, cover an area of 678 sq km and are located 85 km south east of Onslow. The Company has identified several target areas that require additional drilling and also intend to utilise modern geophysical methods to further define and locate additional channel sequences prospective for uranium mineralisation. This work is expected to commence early in 2006.

Yanrey Uranium Project, WA.

The project covers Mesozoic sediments that are highly prospective for sandstone hosted roll front uranium mineralisation similar to that at the adjacent Manyingee Uranium Deposit (Paladin Resources Ltd, 100%, ASX code PDN), which has a published indicated and inferred resource of 12,078 tonnes at 0.08% U_3O_8 . Manyingee is located within the Koodarie Main Channel and only limited broad spaced drilling has been completed downstream of the deposit.

A 40 km redox front, and several additional paleochannels were identified by open hole drilling by CRA Exploration Pty Ltd during the 1970s and early 1980s. Historical open hole and diamond drilling at the Bennett Channel Prospect located 15 km south west of the Manyingee deposit, returned several high grade intersections which included 0.35 metres at 0.41% U_3O_8 , 3.25 metres at 0.28% U_3O_8 and 1.45 metres at 0.14% U_3O_8 .



The Mainroad channel is one kilometre wide, about eight kilometres long and is infilled with 60 – 100 m of fluvial sands and clays of the Nanutarra Formation. Previous broad spaced exploration drilling (600m x 400m) has identified thin low grade (up to 1m @ 0.05% U_3O_8) mineralisation. These channels require additional drilling and indicate the potential for further significant roll front mineralisation in the project area.

Yours faithfully

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.