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BIGRLYI JOINT VENTURE EXPLORATION AND DEVELOPMENT UPDATE

HIGHLIGHTS

- **27m @ 0.21% eU_3O_8** from 47.8m in BRC11045
  inc **6.9m @ 0.39% eU_3O_8** from 49.15m, and
  4.35m @ 0.62% eU_3O_8 from 61.85m
- **15.2m @ 0.32% eU_3O_8** from 49m in BRC11077
  inc **6.65m @ 0.70% eU_3O_8** from 54.8m
- **13.55m @ 0.26% eU_3O_8** from 121.1m in BRC11047
  inc **12.45m @ 0.28% eU_3O_8** from 121.6m
- **8.15m @ 0.34% eU_3O_8** from 79.25m in BRC11049
  inc **3.7m @ 0.73% eU_3O_8** from 83.3m
- **5.65m @ 0.50% eU_3O_8** from 136m in BRC11081
  inc **5.1m @ 0.55% eU_3O_8** from 136.2m

Energy Metals Limited (ASX: EME) is pleased to release the results from recent exploration and infill resource drilling activities within the Bigrlyi Joint Venture (BJV), located in the Northern Territory. Partners in the BJV are Energy Metals (53.3% and manager), Paladin Energy (41.7%) and Southern Cross Exploration (5.0%).

Recent exploration activities within the BJV have included more detailed mapping to identify untested sections of the prospective horizon, and infill and extensional RC and Diamond drilling. All work has been designed to increase the resource base by targeting down plunge, up dip and along strike extensions of the mineralisation.

The geological controls on the higher grade and thicker portions of the mineralisation have been reinterpreted resulting in a slightly different geological model. This new model has driven the recent exploration drilling, especially at the Anomaly 4 deposit.

Recent drilling has included testing of up dip and down dip extensions of the mineralisation predicted by the new model (especially in close proximity to the potential underground development identified in the pre-feasibility study completed earlier this year), as well as infill drilling to increase the confidence in the Resource Estimate.

This drilling has resulted in several extensions of the mineralisation at depth and in close proximity to the current optimised pit shells, which is expected to have a positive impact on the economics of the project.

Significant (>100ppm eU_3O_8) gamma probe intersections have been returned from most holes in this programme with some of the better intersections highlighted previously in this announcement. Importantly most of these holes are either close to, or within, the current optimised Anomaly 4 Open Pit resource.

Figure 1 shows the location of the Anomaly 4 deposit, which was the focus of the recent drilling.

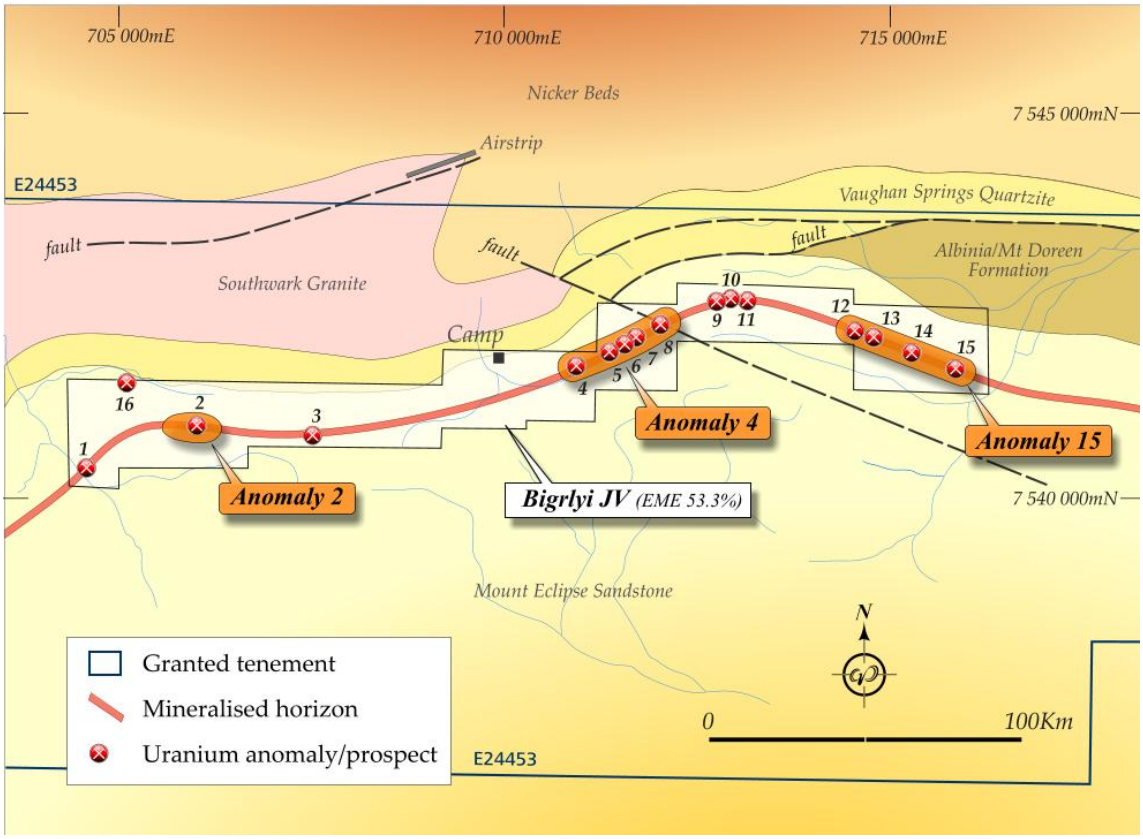

Figure 1 - Bigrlyi Joint Venture plan showing the main resource areas and historic anomalies.

Significant intersections are detailed in Table 1 with drill hole collar information detailed in Table 2. All intersections are down hole widths with the true thickness estimated to be between 70 and 80% of the down hole thickness.

Samples from the anomalous intervals have been dispatched for chemical analysis to confirm the Uranium values returned from gamma probe estimates and to determine the Vanadium content of the holes.

RC and Diamond drill rigs are currently conducting drilling activities within the BJV, targeting extensions of the known mineralisation and resources, drilling infill holes aiming to upgrade the resource and obtain bulk samples for further metallurgical testwork and domain modelling within the current optimised pit shells.

Drilling is expected to continue with two drill rigs on site for the remainder of the year

Table 1 Significant Intersections from the recent RC and Diamond drilling within the Bigrlyi Joint Venture, dominantly at Anomaly 4

Hole Number	From (m)	To (m)	Interval (m)	eU_3O_8 (ppm)
BRC11044	**201.45**	**208.50**	**7.05**	**803**
And	233.35	234.50	1.15	200
BRC11045	**47.80**	**74.80**	**27.00**	**2,111**
Inc	**49.15**	**56.05**	**6.90**	**3,953**
Inc	**61.85**	**66.20**	**4.35**	**6,257**
And	220.95	224.35	3.40	143
And	237.20	242.10	4.90	108
BRC11046	**100.41**	**106.21**	**5.80**	**231**
And	110.91	112.31	1.40	525
And	140.21	142.01	1.80	164
And	196.31	197.36	1.05	166
BRC11047	99.45	100.70	1.25	337
And	**121.10**	**134.65**	**13.55**	**2,603**
Inc	**121.60**	**134.05**	**12.45**	**2,814**
BRC11048	15.89	18.44	2.55	252
And	**137.74**	**140.24**	**2.50**	**3,939**
Inc	**137.99**	**139.99**	**2.00**	**4,861**
BRC11049	**60.10**	**65.75**	**5.65**	**499**
Inc	**60.75**	**63.45**	**2.70**	**829**
And	**79.25**	**87.40**	**8.15**	**3,444**
inc	**83.30**	**87.00**	**3.70**	**7,317**
And	**109.45**	**111.70**	**2.25**	**459**
and	215.85	218.35	2.50	385
BRC11050	130.45	134.50	4.05	242
And	**168.45**	**174.50**	**6.05**	**930**
Inc	**171.45**	**173.65**	**2.20**	**1,111**
And	**184.40**	**186.50**	**2.10**	**1,049**
Inc	**184.70**	**185.95**	**1.25**	**1,597**
BRC11052	94.75	95.90	1.15	107
And	**98.55**	**104.40**	**5.85**	**2,824**
Inc	**98.80**	**102.65**	**3.85**	**4,243**
And	108.05	109.60	1.55	140
And	**132.30**	**137.90**	**5.60**	**586**
Inc	**132.85**	**137.90**	**5.05**	**624**
BRC11053	**58.85**	**60.70**	**1.85**	**680**
And	223.60	226.10	2.50	136
And	52.75	54.60	1.85	106
And	76.00	77.95	1.95	482
BRC11056	**124.45**	**130.35**	**5.90**	**171**
BRC11057	**126.12**	**133.27**	**7.15**	**243**
And	**143.77**	**148.57**	**4.80**	**284**
BRC11058	86.30	87.75	1.45	146
BRC11059	11.60	13.05	1.45	454
And	30.90	32.25	1.35	128

Hole Number	From (m)	To (m)	Interval (m)	eU_3O_8 (ppm)
BRC11063	235.00	236.15	1.15	332
And	**241.15**	**245.40**	**4.25**	**1,020**
Inc	**241.85**	**243.85**	**2.00**	**2,067**
And	310.50	311.50	1.00	676
BRC11064	83.10	86.25	3.15	202
BRC11066	245.45	246.45	1.00	249
BRC11069	78.80	80.00	1.20	195
BRC11070	**85.20**	**88.00**	**2.80**	**717**
Inc	**85.70**	**87.45**	**1.75**	**975**
BRC11071	**106.89**	**110.34**	**3.45**	**567**
Inc	**107.84**	**109.29**	**1.45**	**1,128**
BRC11076	9.28	11.23	1.95	186
And	114.03	115.03	1.00	272
And	160.93	162.08	1.15	299
And	**174.33**	**180.73**	**6.40**	**853**
Inc	**176.93**	**179.83**	**2.90**	**1,542**
And	**218.68**	**223.63**	**4.95**	**1,029**
Inc	**219.13**	**222.23**	**3.10**	**1,498**
BRC11077	37.50	38.50	1.00	635
And	**49.00**	**64.20**	**15.20**	**3,199**
Inc	**54.80**	**61.45**	**6.65**	**6,995**
And	75.20	77.95	2.75	125
And	**132.15**	**138.05**	**5.90**	**969**
Inc	**133.65**	**134.70**	**1.05**	**4,972**
And	**214.85**	**218.15**	**3.30**	**405**
And	**223.80**	**226.50**	**2.70**	**1,724**
Inc	**224.65**	**226.15**	**1.50**	**2,940**
BRC11079	51.94	53.29	1.35	279
BRC11080	**98.25**	**101.45**	**3.20**	**1,453**
Inc	**99.45**	**101.20**	**1.75**	**2,496**
BRC11081	93.35	95.20	1.85	270
And	**136.00**	**141.65**	**5.65**	**4,955**
Inc	**136.20**	**141.30**	**5.10**	**5,465**
BRC11082	8.85	9.95	1.10	133
BRC11083	118.50	120.00	1.50	210
BRC11085	113.15	114.15	1.00	428
And	**116.85**	**121.15**	**4.30**	**1,112**
Inc	**118.55**	**120.75**	**2.20**	**2,059**
BRD11065	**315.30**	**330.50**	**15.20**	**913**
Inc	**317.50**	**325.80**	**8.30**	**1,539**
BRD11068	197.00	198.35	1.35	365
B07141	170.74	175.29	4.55	144
And	199.34	203.19	3.85	173
And	215.24	216.39	1.15	464
B08006	97.80	102.45	4.65	113
And	**184.80**	**191.95**	**7.15**	**1,287**
Inc	**188.90**	**191.50**	**2.60**	**3,249**
And	196.35	197.85	1.50	396
B10034	121.50	123.95	2.45	401
Inc	122.25	123.50	1.25	535
And	192.55	196.35	3.80	131

Note Intersections calculated on a 100ppm eU_3O_8 cut off, minimum thickness of 1m and 3m maximum internal dilution based on the De-convolved eU_3O_8 probe results. The *inc.* intersections are based on a 500ppm eU_3O_8 cut off, minimum thickness of 1m and 3m maximum internal dilution based De-convolved eU_3O_8 probe results The **Bold** intersections are where the grade (in ppm eU_3O_8) * thickness (m) is >1000. The true thickens of the intersections are estimated to be between 70% and 80% of the down hole width, based on outcrop and geological interpretation.

Table 2: Collar coordinates for the recent drilling within the Bigrlyi Joint Venture

Hole Number	Easting	Northing	Depth (m)	Dip	Azimuth
B07081	710,210	7,541,285	351	-60	338
B07141	711,094	7,541,716	303	-60	338
B07142	711,158	7,541,894	315	-57	158
B08006	711,599	7,542,012	235	-60	324
B10034	710,900	7,541,740	230	-90	000
BRC11043	710,835	7,541,645	251	-60	335
BRC11044	710,845	7,541,620	271	-60	335
BRC11045	711,495	7,541,900	247	-60	330
BRC11046	711,555	7,541,915	253	-60	330
BRC11047	711,590	7,541,950	283	-60	330
BRC11048	711,695	7,542,090	281	-60	330
BRC11049	711,750	7,542,085	223	-60	330
BRC11050	711,880	7,542,380	211	-60	150
BRC11052	710,840	7,541,800	146	-60	150
BRC11053	710,715	7,541,800	301	-63	150
BRC11054	710,690	7,541,845	270	-60	150
BRC11055	710,630	7,541,495	120	-60	325
BRC11056	710,680	7,541,480	200	-60	325
BRC11057	710,620	7,541,460	193	-60	325
BRC11058	710,575	7,541,445	169	-60	325
BRC11059	710,520	7,541,440	49	-60	325
BRC11060	710,565	7,541,385	253	-60	325
BRC11062	710,985	7,541,710	249	-61	330
BRC11063	710,950	7,541,900	319	-60	150
BRC11064	710,685	7,541,800	301	-60	150
BRC11066	711,240	7,541,615	307	-63	330
BRC11069	711,035	7,541,740	181	-60	330
BRC11070	711,235	7,541,905	289	-60	150
BRC11071	710,335	7,541,355	205	-60	334
BRC11072	710,272	7,541,355	221	-60	334
BRC11073	710,355	7,541,375	133	-60	334
BRC11074	710,390	7,541,355	210	-60	334
BRC11075	710,495	7,541,400	181	-60	325
BRC11076	710,220	7,541,260	301	-60	334
BRC11077	710,900	7,541,740	91	-60	330
BRC11078	711,153	7,541,930	247	-60	159
BRC11079	711,620	7,542,095	97	-60	330
BRC11080	711,465	7,541,845	151	-60	330
BRC11081	711,863	7,542,254	176	-67	155
BRC11082	710,835	7,541,690	121	-59	330
BRC11083	710,690	7,541,820	175	-60	150
BRC11085	715,588	7,541,744	175	-62	190
BRD11042	710,960	7,541,500	470.5	-60	338
BRD11065	711,030	7,541,630	366	-60	330

Note: All holes are RC holes with collar coordinates determined from a hand held GPS with a nominal accuracy of ± 5m and are all MGA zone 52, the depths are all down hole depth in meters. The **Bold** drill holes contain significant intersections included in Table 1.

Information in this report relating to exploration results, data and cut off grades is based on information compiled by Mr Paul Dunbar and Mr Lindsay Dudfield. Both Mr Dunbar and Mr Dudfield are members of the AusIMM and the AIG. Mr Dunbar is a full time employee of Energy Metals and Mr Dudfield is a consultant to Energy Metals. They both have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – The JORC Code (2004)". Mr Dunbar and Mr Dudfield both consent to the inclusion of the information in the report in the form and context in which it appears.

Information in this report relating to the determination of the gamma probe results and geophysical work is based on information compiled by Mr David Wilson. Mr Wilson is a member of the AusIMM and the AIG. Mr Wilson is a consultant to Energy Metals. He 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 "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – The JORC Code (2004)". Mr Wilson consents to the inclusion of the information in the report in the form and context in which it appears.

***** Uranium mineralisation grades through this report are annotated with a sub-prefix 'e' because they have been reported as uranium equivalent grades derived from down-hole gamma ray logging results and should be regarded as approximations only.

Gamma logging or "total count gamma logging" (the method used by Energy Metals) is a common method used to estimate uranium grade where the radiation contribution from thorium and potassium is very small. Sandstone and calcrete hosted deposits are usually of this type.
Total count gamma logging includes the generally small number of gamma rays emitted by background levels of thorium and potassium. These background gamma rays add the equivalent of a few parts per million to the equivalent uranium values and are relatively constant in each geological unit.

Downhole gamma logging of drill holes provides a powerful tool for uranium companies to explore for and evaluate uranium deposits. Such a method measures the natural gamma rays emitted from material surrounding a drill hole. Gamma radiation is measured from a volume surrounding the drill hole that has a radius of approximately 35cm. The gamma probe is therefore capable of sampling a much larger volume than the geological samples recovered from any normal drill hole.

Gamma ray measurements are used to estimate uranium concentrations with the commonly accepted initial assumption being that the uranium is in (secular) equilibrium with its daughter products (or radio- nuclides) which are the principal gamma ray emitters. If uranium is not in equilibrium (viz. in disequilibrium), as a result of the redistribution (depletion or enhancement) of uranium and/or its daughter products, then the true uranium concentration in the holes logged using the gamma probe will be higher or lower than those reported in the announcement.

Energy Metals is undertaking measurements to determine if disequilibrium is present and its distribution via undertaking chemical analysis of all eU_3O_8 intersections. Previous chemical assays from Bigrlyi and surrounds have confirmed the gamma intersections and as such Energy Metals believes that the Uranium in the system is in equilibrium with its daughter products.

The logging programme was undertaken by Energy Metals utilising an Auslog Logging System. The gamma tools were calibrated in Adelaide at the Department of Water in calibration pits constructed under the supervision of CSIRO. Energy Metals carries out annual recalibration checks to validate the accuracy of gamma probe data. Furthermore, Energy Metals runs regular checks to validate the accuracy of probe data using calibrated test holes located on site.

The gamma ray data was converted from counts per second to eU3O8 using calibration factors obtained from measurements made at the calibration pits. The eU3O8 data was also adjusted by an attenuation factor, determined onsite, due to drill rods. These factors also take into account differences in drill hole size and water content. The eU3O8 data has been filtered (deconvolved) to more closely reproduce the true grades and thicknesses where thin narrow zones are encountered.

The various calibration factors and deconvolution parameters were calculated by David Wilson BSc MSc MAusIMM from 3D Exploration Ltd based in Perth, Western Australia.