

SIRIUS RESOURCES NL

ASX: SIR

ABN: 46 009 150 083

Unit 5, 5 Mumford Place,
Balcatta 6021,
Western Australia

PO Box 1011
Balcatta 6914,
Western Australia

Telephone +61 8 9240 8914
Facsimile +61 8 9240 8915

admin@siriusresources.com.au

www.siriusresources.com.au

Contact

Mark Bennett, Managing Director
+61(0)407 470 648

Fraser Range:

Gold, base metals

Polar Bear:

Nickel, gold

Youanmi:

Zinc, copper, nickel, PGM's

Lawlers:

Nickel

Collurabbie:

Nickel, copper, PGM's



DRILLING EXTENDS INKY NICKEL-COPPER PROSPECT ANOTHER 50 METRES DOWN DIP

Sulphide mineralisation open along strike and down dip

Sirius Resources (**ASX:SIR**) advises that drilling has intersected further nickel-copper sulphide mineralisation some 50 metres down dip from previous drilling at the Inky nickel-copper prospect at its 70 per cent-owned Youanmi project in Western Australia.

Diamond drill hole SYMD0011, designed to test an electromagnetic (EM) conductor beneath the previous drill hole, intersected sulphide mineralisation 50 metres down dip from the previous deepest intersection (*see Figures 1 and 2, and Table 1*). The new intersection comprises:

- **4m @ 1.44% Cu, 0.82% Ni and 7.07g/t Ag** from 209m in hole SYMD0011 situated 50 metres down dip from SYMD0006.

Mineralisation has now been defined over a dip extent of 150 metres and remains open below this point. In addition to being open down dip, the deposit is also open in both directions along strike to the northwest and southeast.

A follow up hole, SYMD0015, has been drilled a further 70 metres down dip from this intersection and results from this hole are expected late next week.

Sirius' managing director Mark Bennett said "This is an important step - we have targeted an area, started from scratch and discovered nickel-copper sulphide mineralisation in the Youanmi intrusion. This demonstrates the prospectivity of this under-explored area where Sirius controls 600 square kilometres of ground covering most of the intrusion and surrounding rocks".

"Pending the results of the follow up hole, the next step will be downhole EM to identify potential extensions to the known mineralisation followed by further drilling to determine its dip and strike extent" he said.

Technical discussion

The mineralisation at Inky comprises the minerals pyrrhotite, pentlandite and chalcopyrite. These sulphides occur in-situ, hosted by gabbro, and in structurally remobilised brecciated gabbro and quartz veins (*see Figure 1*) within a broader interval of gabbro containing blebby and

disseminated sulphides. The mineralised zone dips steeply to the west and appears to be continuous down dip (see Figure 2). It is an unusual style of mineralisation, showing a mix of magmatic, hydrothermal and tectonic influences.

About the Youanmi project

The Youanmi project covers an area of 597 square kilometres, largely over the Youanmi layered igneous intrusion and its immediate country rocks. It is a relatively unexplored area that is prospective for magmatic-style nickel-copper-platinum group metal (PGM) mineralisation, similar to the intrusion associated deposits such as those at Radio Hill, Savannah (aka Sally Malay), Kabanga and Voisey's Bay, and also for reef-style PGM mineralisation such as that found at the Platreef in the northern Bushveld of South Africa.

Sirius has a 70 per cent interest in this project, with Mark Creasy (Sirius' major shareholder) having a 30 per cent interest. Vanadium, titanium and iron rights are held by Mr Creasy and excluded from this joint venture.



Mark Bennett, Managing Director and CEO

For further information:

Mark Bennett, Sirius Resources **Tel** **+61 (0)8 9240 8914** **Mob** **+61 (0)407 470 648**

| Prospect | Hole number | North | East | Azim | Dip | From (m) | To (m) | Width (m) | Comment/grade |
|----------|-------------|-------|-------|------|-----|----------|--------|-----------|-----------------------------------|
| Inky | SYMD0011 | 3750 | 11070 | 270 | -60 | 209.00 | 213.00 | 4.00 | 1.44% Cu, 0.82% Ni and 7.07g/t Ag |

Table 1. Diamond drilling intersection from Inky, Youanmi. Co-ordinates are local grid and azimuths are with respect to local grid. Widths quoted are downhole widths: on the basis of current information true width is estimated to be about two thirds of the downhole width.

Competent Persons statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Dr Mark Bennett, who is an employee of the company. Dr Bennett is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2004 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Bennett consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

Exploration results are based on standard industry practices, including sampling, assay methods, and appropriate quality assurance quality control (QAQC) measures. Reverse circulation (RC), aircore (AC) and rotary air blast (RAB) drilling samples are collected as composite samples of 4 or 2 metres and as 1 metre splits (stated in results). Mineralised intersections derived from composite samples are subsequently re-split to 1 metre samples to better define grade distribution. Core samples are taken as half NQ core or quarter HQ core and sampled to geological boundaries where appropriate. For soil samples, PGM and gold assays are based on an aqua regia digest with Inductively Coupled Plasma (ICP) finish and base metal assays may be based on aqua regia or four acid digest with inductively coupled plasma optical emission spectrometry (ICPOES) or atomic absorption spectrometry (AAS) finish. In the case of reconnaissance RAB, AC, RC or rock chip samples, PGM and gold assays are based on lead or nickel sulphide collection fire assay digests with an ICP finish, base metal assays are based on a four acid digest and inductively coupled plasma optical emission spectrometry (ICPOES) and atomic absorption spectrometry (AAS) finish, and where appropriate, oxide metal elements such as Fe, Ti and Cr are based on a lithium borate fusion digest and X-ray fluorescence (XRF) finish. Sample preparation and analysis is undertaken at Genalysis Intertek and Ultratrace laboratories in Perth, Western Australia. The quality of RC drilling samples is optimised by the use of riffle and/or cone splitters, dust collectors, logging of various criteria designed to record sample size, recovery and contamination, and use of field duplicates to measure sample representivity. The quality of analytical results is monitored by the use

of internal laboratory procedures together with certified standards, duplicates and blanks and statistical analysis where appropriate to ensure that results are representative and within acceptable ranges of accuracy and precision. Exploration results obtained by other companies and quoted by Sirius have not necessarily been obtained using the same methods or subjected to the same QAQC protocols. These results may not have been independently verified because original samples and/or data may no longer be available. Where quoted, nickel-copper intersections are based on a minimum threshold grade of 0.3% Ni and gold intersections are based on a minimum gold threshold grade of 0.1g/t Au unless otherwise stated. All sample and drill hole co-ordinates are based on the GDA/MGA grid and datum unless otherwise stated.

Mineral Resources, if stated, have been estimated using standard accepted industry practices, as described in each instance. Top cuts have been applied to the composites based on statistical analysis and consideration of the nature and style of mineralization in all cases. Where quoted, Mineral Resource tonnes and grade, and contained metal, are rounded to appropriate levels of precision, which may cause minor apparent computational errors. Mineral Resources are classified on the basis of drill hole spacing, geological continuity and predictability, geostatistical analysis of grade variability, sampling analytical spatial and density QAQC criteria, demonstrated amenability of mineralization style to proposed processing methods, and assessment of economic criteria.



Figure 1. Photo of mineralised core from SYMD0011 showing disseminated, breccia, net-textured and blebby zones of pyrrhotite-pentlandite-chalcopyrite in brecciated and quartz veined gabbro.

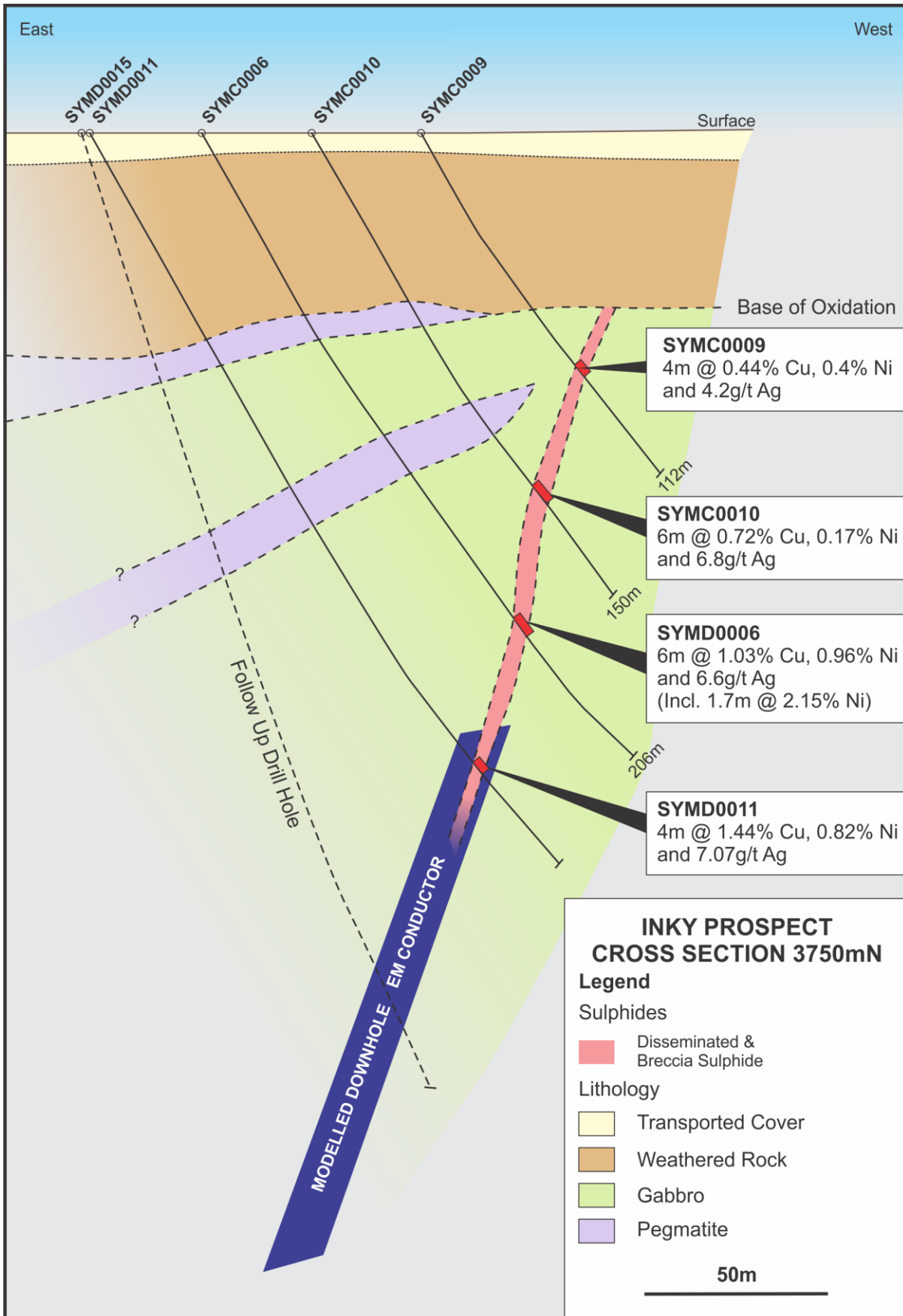


Figure 2. Cross section showing new drill intersection at the Inky deposit, Youanmi.