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Fraser Range:

Gold, base metals

Polar Bear:

Nickel, gold

Youanmi:

Zinc, copper, nickel, PGM's

Lawlers:

Nickel

Collurabbie:

Nickel, copper, PGM's


NEW GOLD ANOMALIES AT FRASER RANGE
Gold and arsenic along unexplored structural trends

Sirius Resources (**ASX:SIR**) advises that it has identified several new gold anomalies in a recent geochemical survey along previously unexplored structural trends in its 70 per cent owned Fraser Range project.

The new anomalies occur along shear zones within the “demagnetized zone” – the belt that contains AngloGold’s 5 million ounce Tropicana gold deposit further to the northeast. Figure 1 shows the location of these shear zones.

Broad spaced sampling has defined several gold anomalies along these shear zones, with several of these gold anomalies up to 5km long. The gold anomalies coincide with, or are closely associated with, arsenic anomalies up to 5km long, as shown in Figure 2.

This previously unexplored tenement covers approximately 580 square kilometres and 40 strike kilometres of gold prospective ground, and only 30 per cent of its area has been sampled to date.

Follow up exploration will comprise infill sampling of these anomalies, further broad spaced sampling to extend the current coverage, and reconnaissance RAB or aircore drilling of selected areas.

Technical discussion

The area sampled straddles an unexplored part of the demagnetised zone of the Albany-Fraser province, which is considered to be the south-western continuation of the belt that hosts the 5 million ounce Tropicana gold mine. This zone contains several major shear zones (*see Figure 1*) including the Fraser Fault – a major structure separating the demagnetised zone from the Fraser Complex.

Approximately 30 per cent of the tenement has been sampled using an auger rig on a broad (400m by 320m) grid pattern.

The survey has defined several coincident and closely associated gold and arsenic anomalies, with several measuring 5 km long (*see Figure 2*), and with values of up to 44ppb gold and up to 471ppm arsenic.

Arsenic is often a good pathfinder element for gold mineralisation elsewhere, but this is the first time that it has been identified in association with gold in the Company’s geochemical surveys in the Fraser Range project area.

The anomalies occur over a sampled strike length of 20km and are located between 40km and 60km to the northeast of Sirius' Brookman gold prospect, where previous drilling has defined supergene and bedrock gold mineralisation along the same shear zone.

About the Fraser Range project

The project covers over 120 kilometres strike length of the Albany-Fraser province, encompassing the southern extension of the Tropicana belt and the parallel Fraser Complex. The tenements are considered highly prospective for gold mineralisation and mafic-ultramafic intrusion-hosted magmatic nickel, copper, chrome and platinum group metal (PGM) deposits.

Sirius has a 70% interest in the Fraser Range Joint Venture, with Mark Creasy retaining a 30% free carried interest to the completion of a bankable feasibility study.



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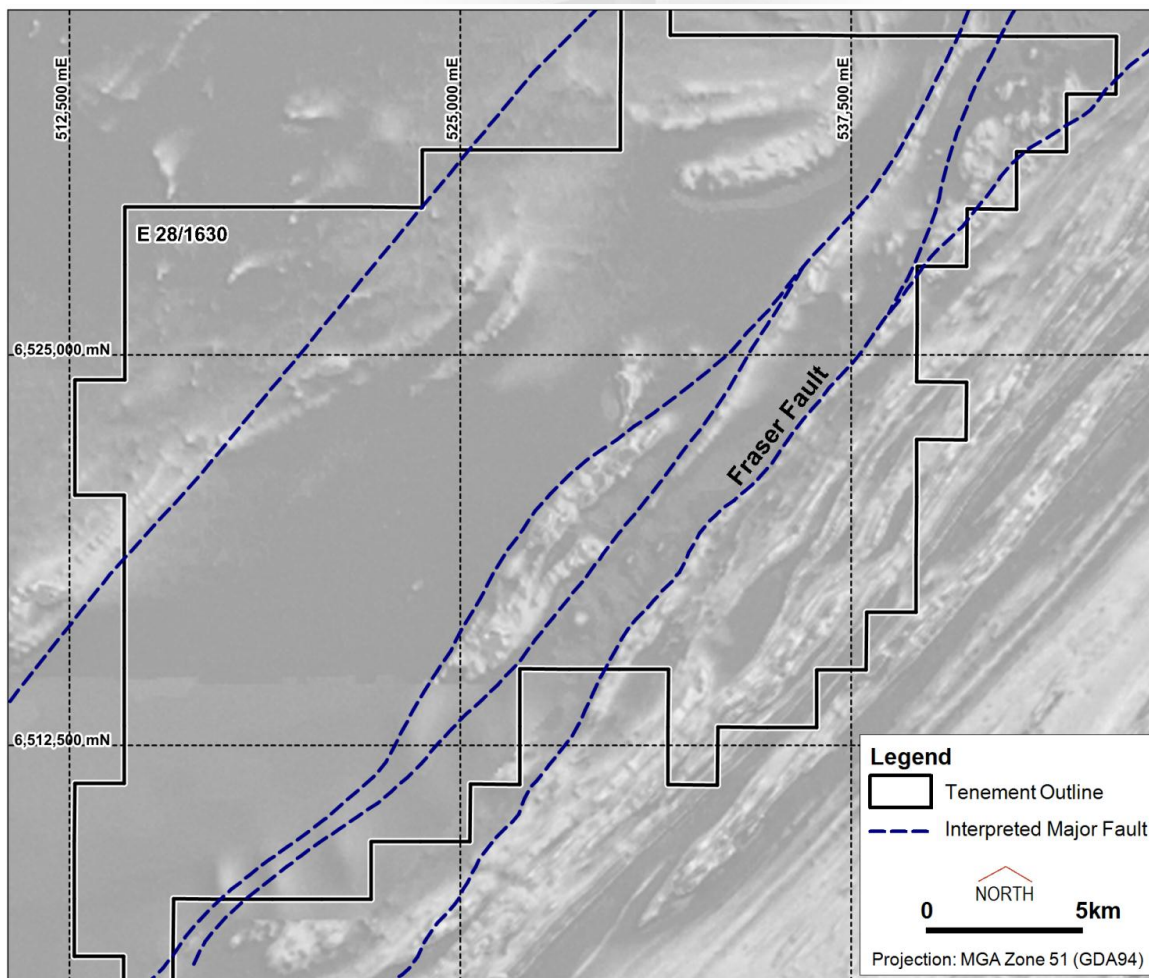


Figure 1. Magnetic image of exploration licence E28/1630 showing major shear zones (dashed blue lines).

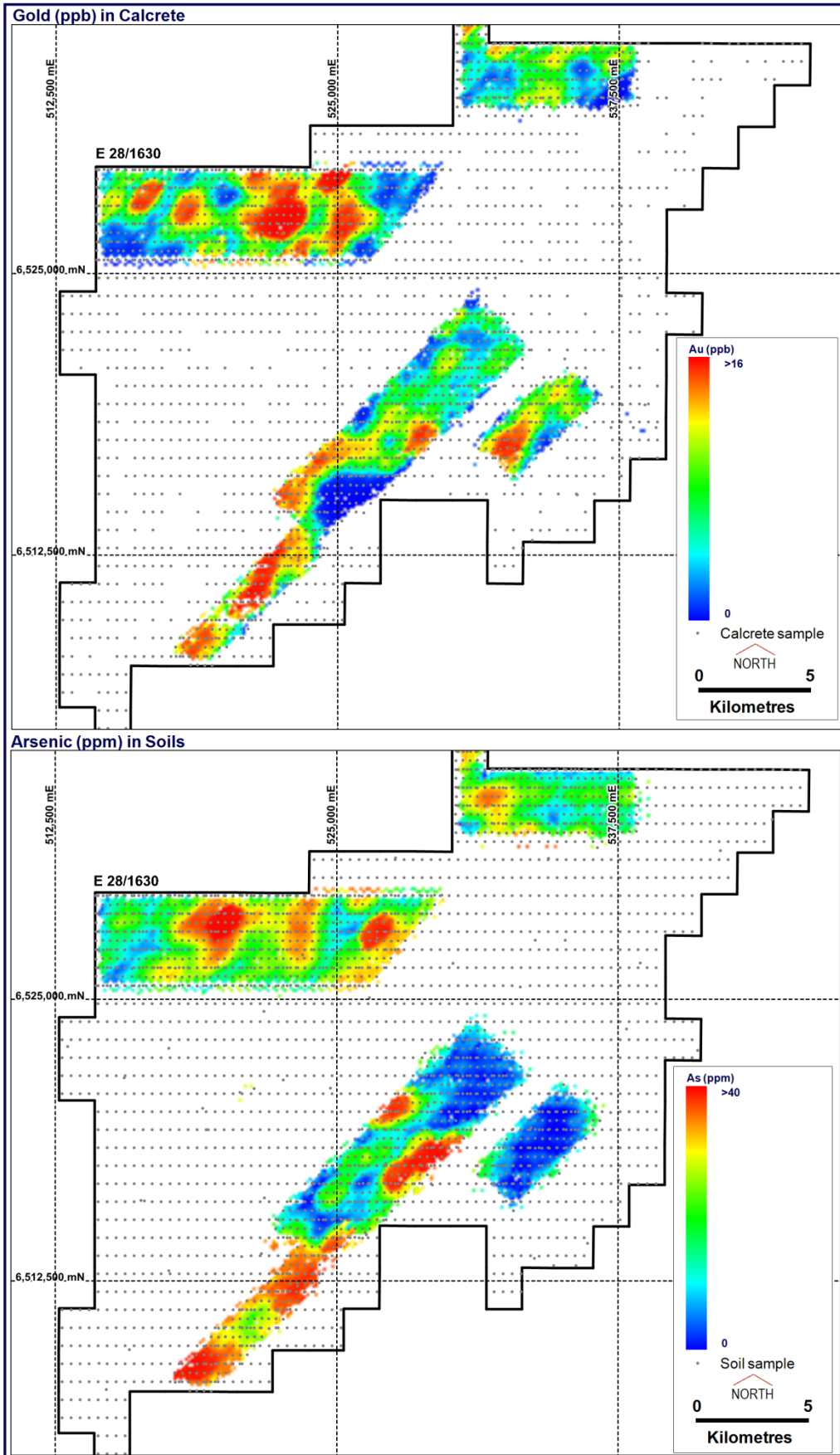


Figure 2. Gold and arsenic anomalies defined in recent geochemical sampling on E28/1630.

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.

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