



25 July 2005

ANNOUNCEMENT TO THE AUSTRALIAN STOCK EXCHANGE

STRIKE EXTENSIONS AT MAVUZI URANIUM MINE IN MOZAMBIQUE

*The Directors of OmegaCorp Limited (“the Company”) are pleased to report that an initial field review of the historic **Mavuzi Uranium Mine** (“**Mavuzi Mine**”) in Mozambique has resulted in an extension of almost 1.5 kilometres of strike for the original mine area. These extensions to the south and mapping and sampling to the north of the Mavuzi Mine have also defined another two uranium prospects being the **Airport and Kaboazi Creek Prospects** respectively. Mapping and preliminary ground radiometric survey work has also defined a sub-parallel zone of interest – **Mavuzi East**, some two kilometres southeast of the principal zone.*

- *Ground radiometric traverses at Mavuzi Mine clearly delineate both the 800m strike length of the Mine area and Mavuzi East. Responses encountered in the 100m spaced traverses over the Mine area gave individual site counts up to 2300cps.*
- *Mineralisation at Mavuzi Airport Prospect occurs as a single zone over 450m in strike length and was mined by shallow underlays and drives along its length which exploited mineralisation 1-3m in width. Ground radiometric counts up to 1800 cps were recorded over the strike length of the prospect.*
- *Mineralisation at Kaboazi Creek occurs within a 700m long by 30m to 180m wide zone where five, north south orientated lenses of visible uranium mineralisation (davudite) were observed. As at Mavuzi, small pods of strong molybdenite mineralisation are also observed.*

The Mavuzi Mine, Airport and Kaboazi Creek Prospects have highlighted a corridor of prospectivity approximately four kilometres in strike length in a ten kilometre zone and will be an initial point of focus for drill testing by the Company in the current quarter, with a view to define both high-grade vein and disseminated uranium mineralisation. Further details of the proposed drilling program and targeted areas will be released as they are finalised.

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Introduction

Work has already commenced on the project, with a focus on the historic Mavuzi Mine, adjacent areas and the regional geological framework. Work completed has included data compilation, mapping, and preliminary ground radiometric surveys and limited rock chip sampling as a prelude further work including drill program planning.

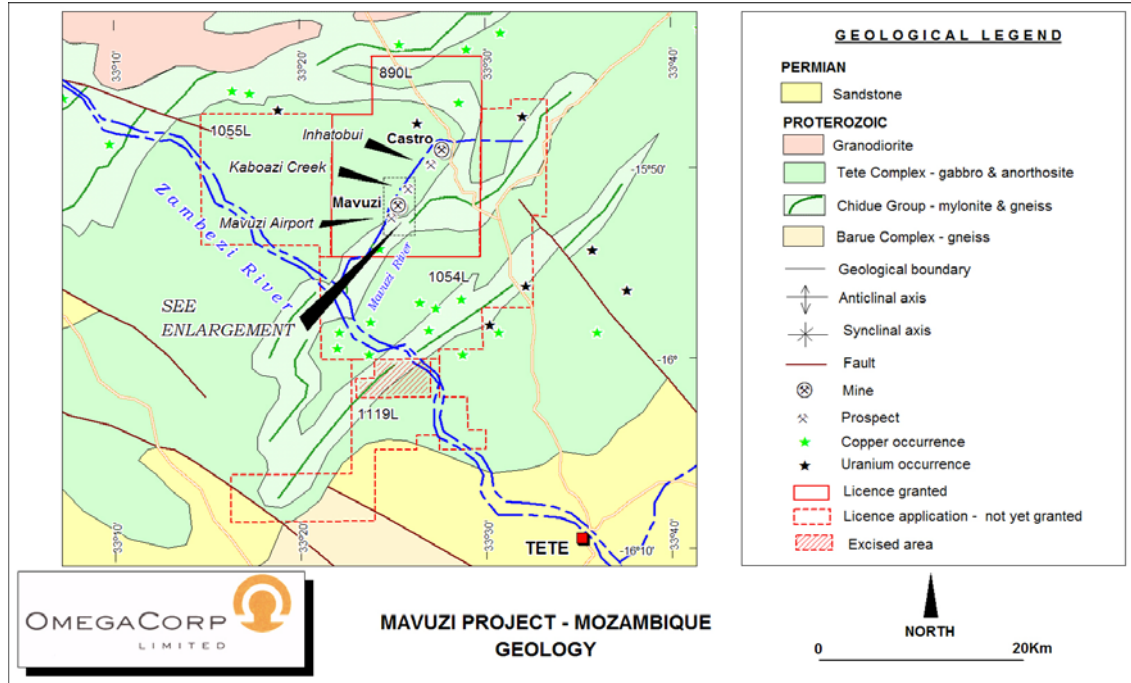


Figure 1

Prospect Geology/Mineralisation

The lithologies dominating the Mavuzi Valley in the area of mineralisation are gabbros and anorthosite (Figure 1). There is also a considerable amount of basement gneisses and carbonate lithologies that maybe of sedimentary or metasomatic origin that make up the Chidue Group.

Uranium mineralisation in the Mavuzi project area is structurally controlled within a corridor that comprises two sub-parallel structures that occurs approximately one kilometre apart. The western fault (Mavuzi Fault Zone – MFZ) is the main uranium controlling structure, whilst the eastern fault (Mavuzi East) is characterized by intermittent, granite and syenitic intrusions along it's length accompanied by moderate to low radiometric responses associated with K-feldspar-potassic alteration.

The recent work completed in the licence area has defined two prospects immediately north and south of the Mavuzi Mine – namely the Airport and Kaboazi Creek Prospects to the southwest and northeast respectively. These three prospects extend the current area of interest over four kilometres of strike length and will be the immediate focus of the Company's exploration initiative. Mavuzi East has also been identified and also represents an exploration target for future work.

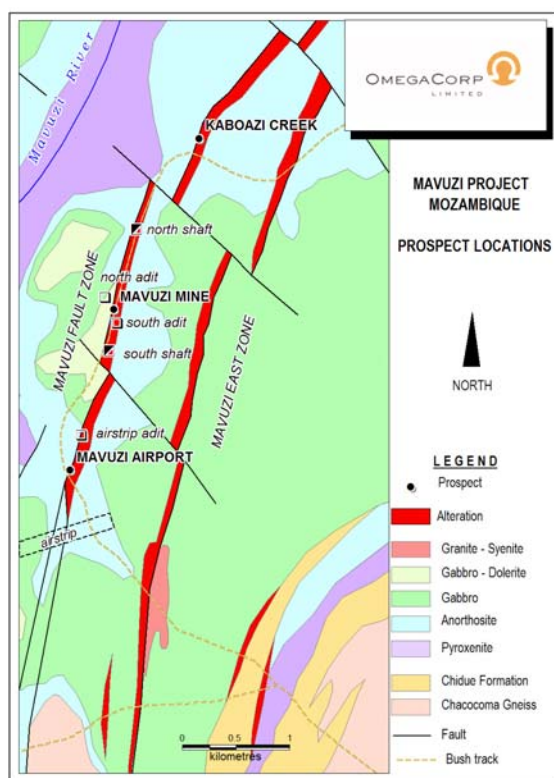
The MFZ controls the mineralisation along the Mavuzi system and is composed of two closely spaced parallel faults separated by an unmineralised intervals of approximately 30 - 200m. The main structure is traceable over eight kilometres to the north to Castro Mine and south of Mavuzi Airport Prospect. Although the overall trend of the MFZ is

north-northeasterly, the secondary, mineralised structures generally trend approximately north south with a moderate to steep (40°-80°) dip to the west (Figure 2). An intense foliation fabric, localised brecciation, and pervasive alteration variably define these structures.

Mavuzi Mine and Mavuzi Airport Prospects

In the Mavuzi Mine area, the intrusive rocks comprise basal pyroxenite, overlying anorthosite, very coarse-grained porphyritic gabbro, upward fining gabbro with highest dolerite (often as late dykes). Locally a fine-grained anorthosite can be seen capping coarser grained units of the same composition. Mineralisation at Mavuzi Mine occurs within an 800m long, 30m to 100m wide zones of the enclosing faults that strike north in the Mavuzi Mine and Airport Prospect areas. The best-developed davidite mineralisation is developed within pink K-feldspar-haematite (±magnetite-rutile-ilmenite) and carbonate (dolomite and calcite) altered rocks. Adits and shafts extend over two kilometres from Mavuzi southwards to the Mavuzi Airport Prospect, indicating that probable substantial underground mining has occurred subsequent to last documented mining reports circa 1950. Indeed, the presence of a large airport and other infrastructure indicate that the area was once a considerable mining operation.

Figure 2 – Enlargement



Ground radiometric traverses at Mavuzi Mine clearly delineate the Mavuzi Mine mineralisation. Total count values over the 800m-strike length of the Mavuzi Mine, in the 100m spaced traverses gave ranges of 95-420cps over widths of 10 to 50m. Individual site values range to peaks of 100-2,300 cps over 0.5 to 2.0 metre widths. The background in the area is 20-25 cps.

Mineralisation at Mavuzi Airport Prospect occurs as a single zone over 450m in length. This mineralisation is hosted in anorthosite and has been mined by shallow underlays and drives. The mineralisation dips 70°-80° to the west, strikes northeast and appears to be between 1-3m in width. Ground radiometric total count values ranged from 50-1,800cps over the strike length of the prospect. Individual, maximum

ground radiometric responses along the 450 meters of defined pits and shallow workings were from 50-1,800 cps over 0.5 to 3.0 metre widths. The background count is around 25cps.

Kaboazi Creek Prospect

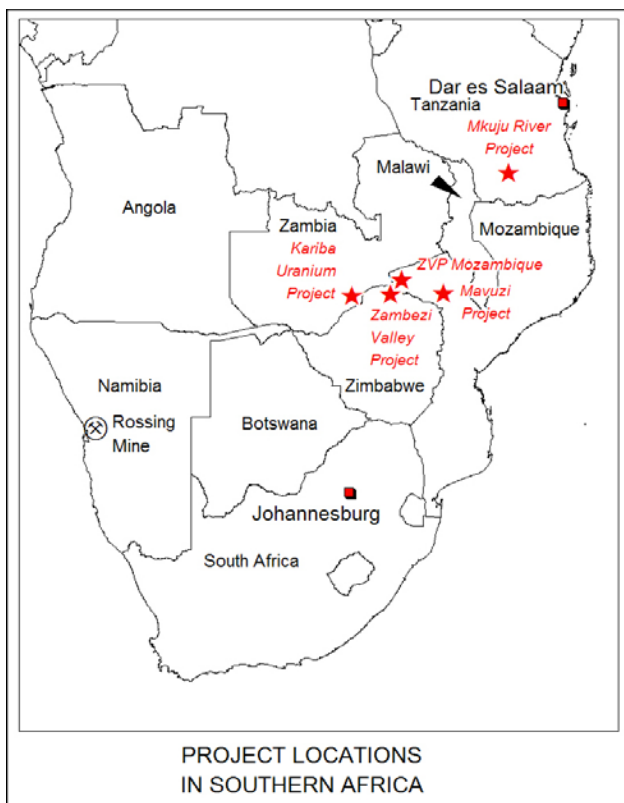
The Kaboazi Creek Prospect is located about 1.8 km to the northeast of the Mavuzi Mine area. Mineralisation at Kaboazi Creek occurs within a 700m long by between 30m to 180m wide zone of bounding faults that strike north-northeast and as at Mavuzi

Mine, appear to dip steeply to the west. Five north-south orientated lenses of uranium mineralisation were recognised with two well-developed quartz-carbonate-davidite-K feldspar cores at Kaboazi Creek. As at Mavuzi, small, pods of strong molybdenite mineralisation are also observed. The degree of alteration and mineralisation in the intervening country rock between the lodes is yet to be determined by either trenching or drilling. These lenses vary from 80m to 250m in strike length, and range between 1-3m in width at surface. Radiometric responses in each of these zones are from 103-261cps over a 90m width in the centre of the main anomaly. Individual values range up to a peak of 230-6,000 cps over 0.5 to 2.0 metre widths. The background is 25cps.

Sampling and mapping all three prospects indicate that the two prospects are on the same structural trend, and all appear to occur in north-south dilational sites along the MFZ.

Background

Mavuzi was discovered in 1947 and is located approximately 40 kilometres northwest of Tete in northwestern Mozambique (Figure 3). A second production centre, the Castro Mine is located eight kilometres north-northeast of Mavuzi. Production from the area totalled approximately 40 tonnes U₃O₈ between 1947-1955. Production is then reported to have continued to circa 1974, however production figures for this period are currently unavailable for this period and closure was apparently due to civil unrest in the country.



The project comprises a Prospecting Licence (PL) covering the historic Mavuzi Mine had been granted for a five year term and covering 208 square kilometres. Two additional licences have been applied for covering a further 358 square kilometres to the east, south and west of the key licence. A further application to the south has also been lodged, with the project area now covering approximately 700 square kilometres (Figure 2).

Figure 3

Information in this report relating to geological data has been compiled or reviewed by Mr. Matthew Yates (member of the Australian Institute of Geoscientists). Mr. Yates has sufficient relevant experience in the reported fields of activity and has consented to the release of this announcement.