



ANNOUNCEMENT TO THE AUSTRALIAN STOCK EXCHANGE: 23 NOVEMBER 2005

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**INITIAL JORC COMPLIANT RESOURCE OF 11 MILLION POUNDS ESTIMATED  
FOR THE KARIBA URANIUM PROJECT IN ZAMBIA**

*The Directors of OmegaCorp Limited (“the Company”) are pleased to announce that an independent geological consultant has completed an initial JORC compliant resource estimation on two areas within the Kariba Uranium Project and delineated approximately 11 million pounds of U<sub>3</sub>O<sub>8</sub>. The resource estimation was completed utilising drill data from historical work completed by AGIP SA in the late 1970s and early 1980s. The Company will now progress to an infill diamond drilling program on these two areas to test the veracity of the original drilling and to increase the resource category. Recent rock chip sampling on the outcropping mineralisation has yielded several results over 1% U<sub>3</sub>O<sub>8</sub>, with a maxima of >5% U<sub>3</sub>O<sub>8</sub> and the Company believes that these potentially higher grade zones of mineralisation will also lift the overall resource grade.*

*The Mutanga and Dibwe Prospects are approximately ten kilometres apart and were defined by AGIP as part of their country wide search for uranium mineralisation. Uranium is hosted in the sandstones of the Escarpment Grit Formation of the Karoo Supergroup. At Mutanga, approximately 274 diamond and percussion holes were drilled for over 12,000m of drilling. This drilling defined the main Mutanga mineralisation and two satellites named Mutanga East and Mutanga West. The mineralisation outcrops and is known to extend to a maximum vertical depth of 60m within the area of the resource estimation. AGIP also completed 175 diamond and percussion holes at the Dibwe Prospect. Two other areas of intensive drilling have also been revealed in the historical data within a three kilometre radius of the Dibwe resource area named Dibwe West and Dibwe North. The drilling density indicates that these were both a clear area of interest to AGIP and work is underway to access the data for these areas which should result in an increase in the overall project resource.*

*AGIP established a trial heap leach operation on site at the Mutanga Prospect and also a pilot test plant in Lusaka. Metallurgical testwork will be carried out using the drilling results from Mutanga as the Company assesses the Prospect’s amenability to heap leach extraction. If a heap leach operation for the project proves to be economically viable it will considerably reduce both capex and lead time to production and enable the Company to make an early transition from explorer to producer.*

*The Directors believe that this resource estimation is a considerable milestone in the evolution of the Company. It will now direct its efforts in Zambia to assessing the economic viability of the Project and to gathering enough data to take the three other prospects within the project area to JORC status.*

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## Introduction

In April 2005 the Company announced that it signed a Memorandum of Understanding (“MOU”) with Okorusu Fluorspar Pty Ltd (“Okorusu”) to earn a 70% interest in the Kariba Uranium Project (“KUP”) in Zambia in Southern Africa, by spending US\$1 million over four years. The KUP is located some 200 kilometres south of Lusaka and comprises a single prospecting licence covering 2,521 square kilometres (Figure 1).

AGIP SA (“AGIP”) conducted several years of detailed investigations from the mid 1970s to the early 1980s and identified several areas of uranium mineralisation within the bounds of the current licence area. These include the Mutanga, Mutanga East, Mutanga West and Dibwe uranium deposits (Figure 2), for which the Company has engaged independent consultants to complete resource estimation studies.

Access to a considerable amount of the work completed by AGIP has allowed the resource estimations to be made on four prospects, but has also revealed two further areas that were extensively drilled by AGIP that are within a three kilometre radius of Dibwe. The Company is now attempting to access data so that a full assessment of two prospects, termed Dibwe West and Dibwe North, may be made. The Company also aims to assess a third prospect – Bungua, which was extensively explored by the Geological Survey of Zambia (“GSZ”).

AGIP established a trial heap leach facility on site at Mutanga and also built with the GSZ a pilot plant in Lusaka. Indications are that both had favourable recoveries and the Company now aims to assess Mutanga as a potential heap leach project. It is envisaged that if the Mutanga deposit is economically viable, this would be the start of mining operations in the area.

## Resource Estimation

Resource estimations were completed on the Kariba Uranium Project by Continental Resource Management Pty Ltd for four separate deposits. The Mutanga deposit was estimated by the Ore Block Model (“OBM”) method while the Mutanga West, Mutanga East and Dibwe deposits were estimated by the polygonal method. The resource estimation methodology and classification is consistent with the JORC Code.

**Table 1. Kariba Project - Resource Summary**

<b>Deposit</b>	<b>Category</b>	<b>Tonnes</b>	<b>Grade (ppm U<sub>3</sub>O<sub>8</sub>)</b>	<b>Metal (lb U<sub>3</sub>O<sub>8</sub>)</b>
Mutanga	Inferred	6.50 M	375	5.40 M
Dibwe	Inferred	5.00 M	430	4.70 M
Mutanga East	Inferred	0.30 M	400	0.29 M
Mutanga West	Inferred	0.65 M	350	0.53 M
<b>Total</b>		<b>12.45 M</b>		<b>10.92 M</b>

Grade was estimated using a calculated U<sub>3</sub>O<sub>8</sub> value. Fluorometric analyses were used where available in preference to spectrometric determinations. Values determined by radiometric methods were used only when no other assays were available. The U<sub>3</sub>O<sub>8</sub> content of a significant number of samples had been determined by multiple methods which allowed an estimate to be made as to the relationship between the different methods of determination. The spectrometric and radiometric determined values were then adjusted. It is noted that U<sub>3</sub>O<sub>8</sub> determinations by non-chemical methods are likely to understate the true uranium content due to radiometric disequilibrium.

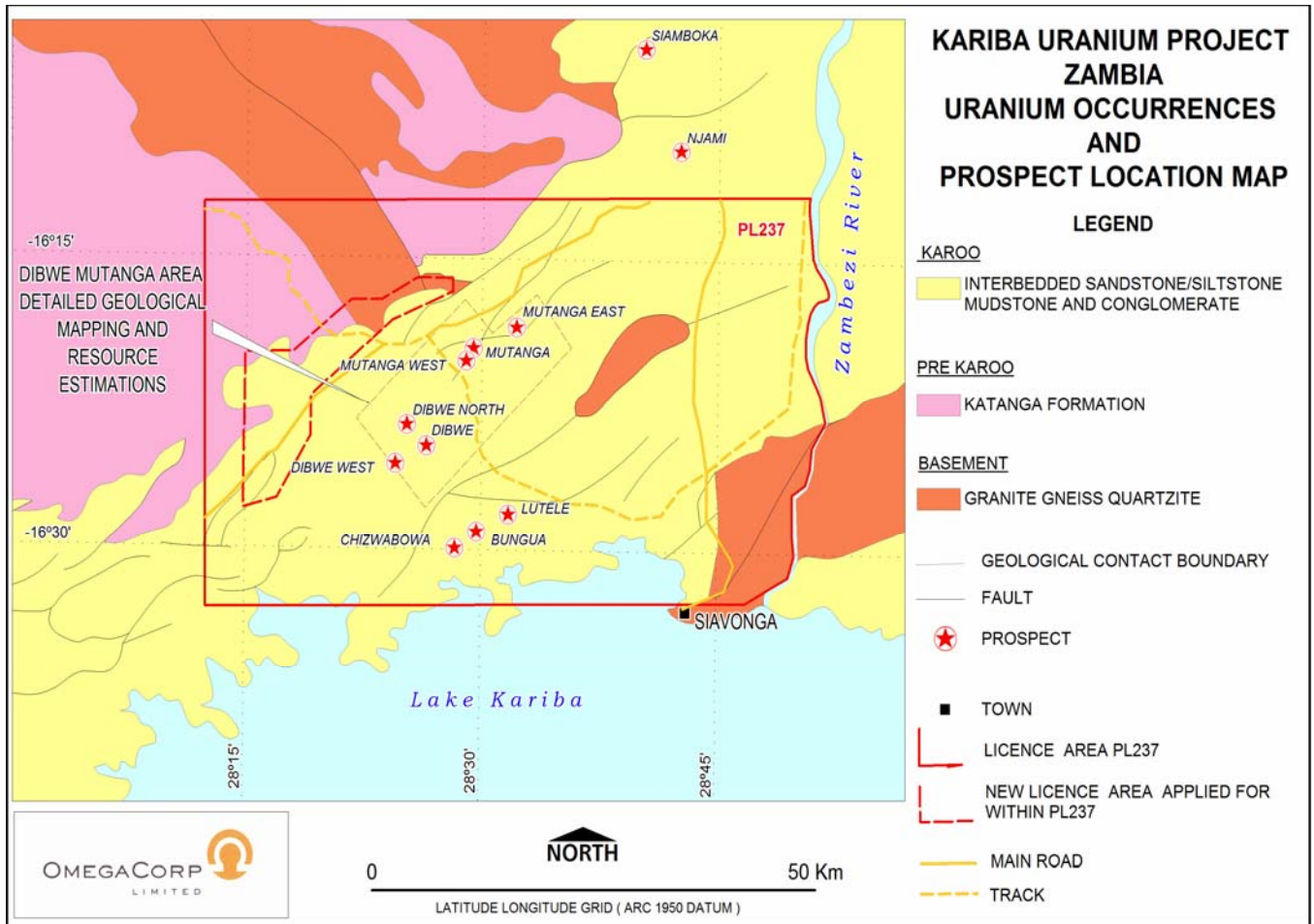


Figure 1

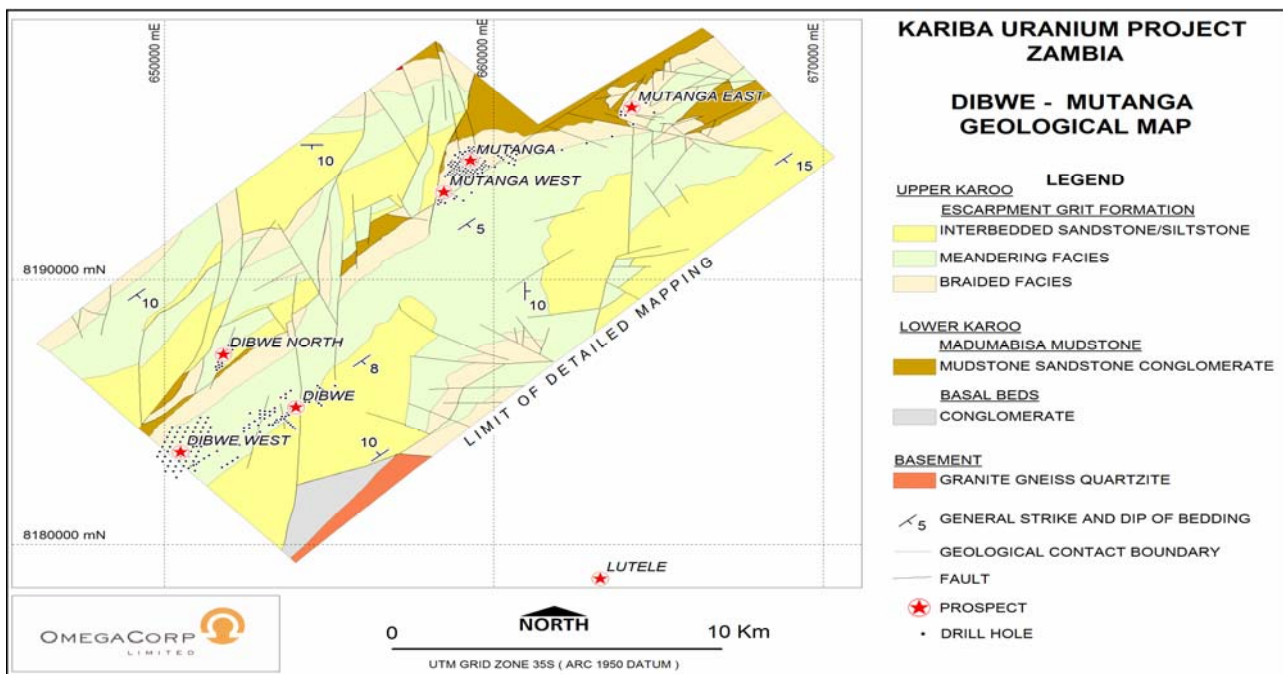


Figure 2

### Mutanga Deposit (Figures 3, 4 and 5)

The Mutanga deposit was drilled initially on a drill spacing of 100m x 100m by open hole percussion drilling. The deposit was later drilled at a 50m spacing along two intersecting profiles by diamond drilling. Resources for the Mutanga deposit were estimated by the OBM method within a wireframe. Blocks of 5m x 5m x 1m were used with a global SG of 2.2 for the conversion of volume to tonnes.

An inferred resource has been estimated for the deposit of 6.5Mt at a grade of 375ppm  $U_3O_8$  for 5.4 Mlb of contained  $U_3O_8$  at a 200 ppm lower cutoff.

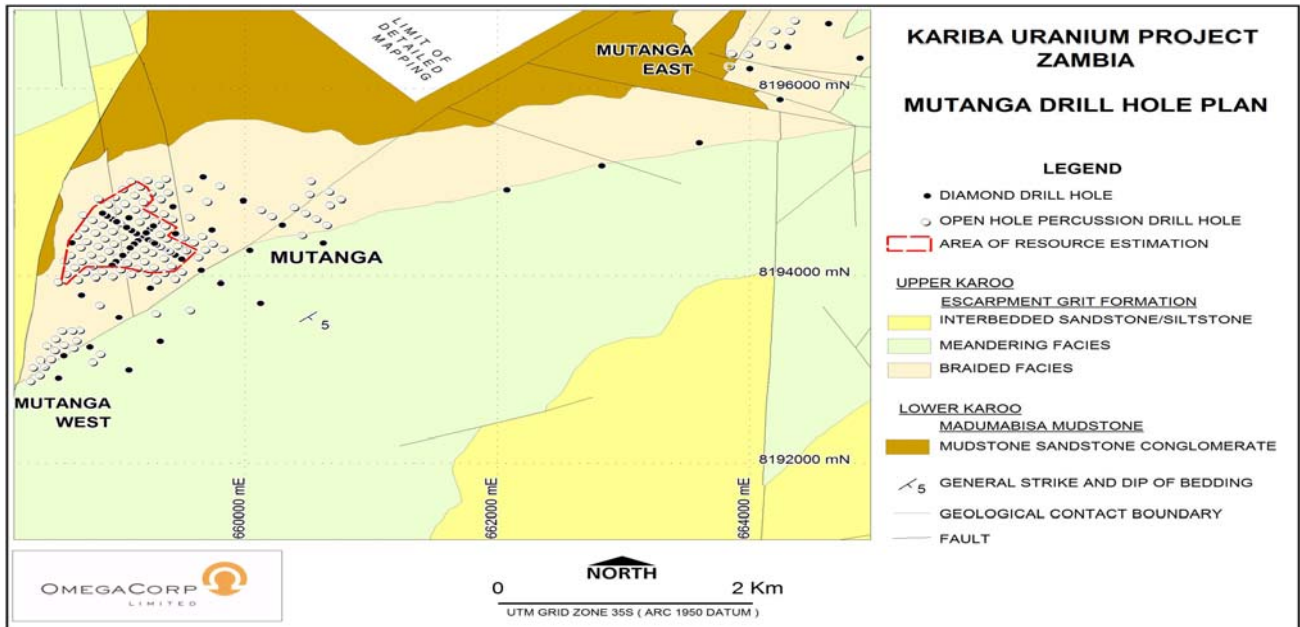


Figure 3

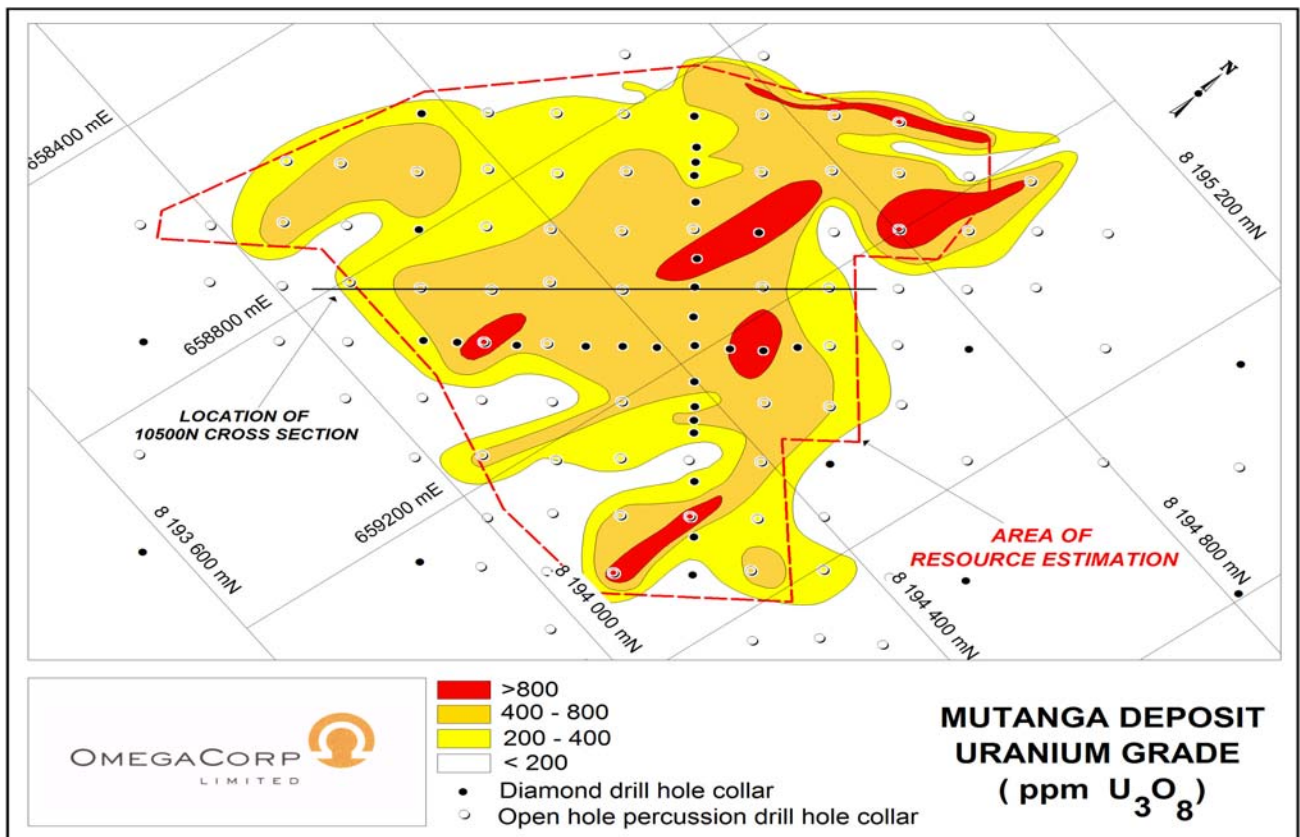


Figure 4

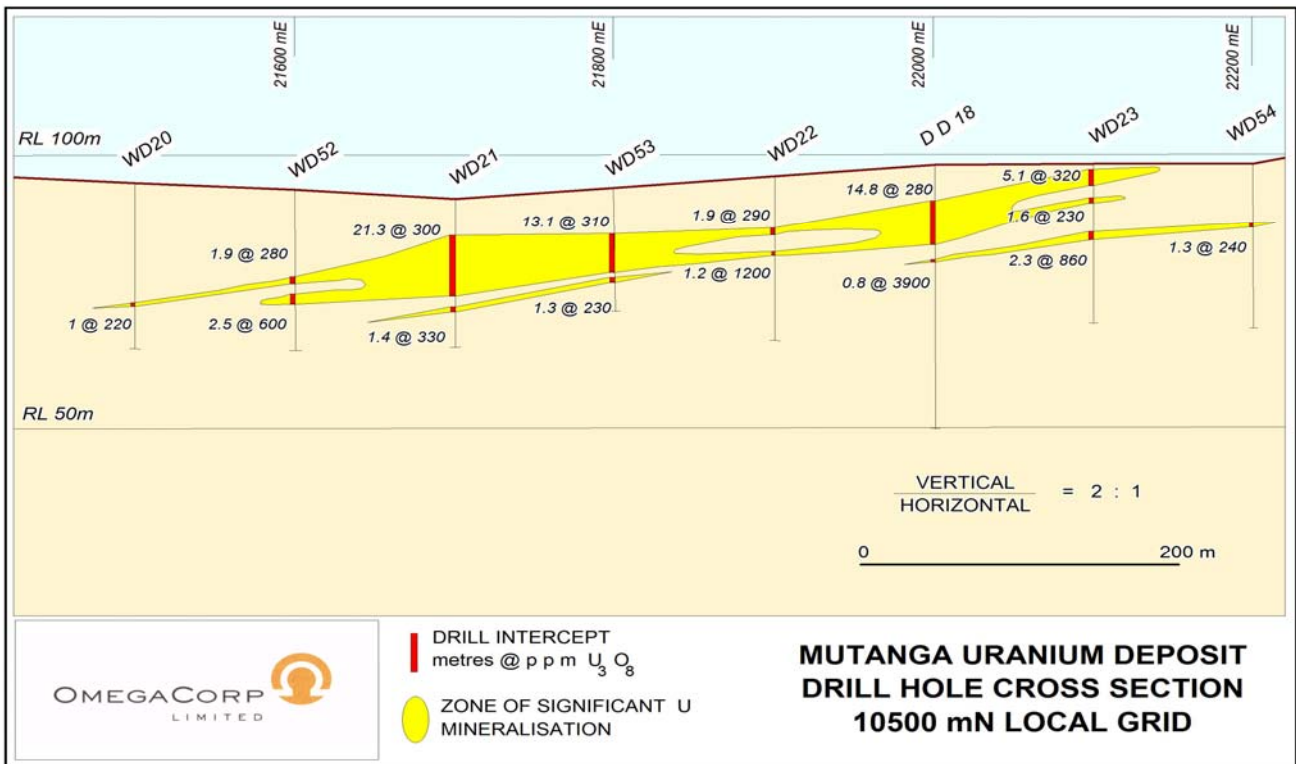


Figure 5

### Dibwe Deposit (Figures 6 and 7)

The Dibwe deposit is located 10km southwest of Mutanga. It was drilled on an incomplete 200m by 100m grid. Significant mineralisation occurs in a single shallow dipping layer within sandstone, over a length of at least 1,600m and a width of 300m. The mineralisation has a thickness of between two and ten metres. The mineralisation continues down dip to grid south, where it appears to have been down-thrown by a normal fault.

An inferred resource has been estimated for the deposit of 5.0Mt at a grade of 430ppm  $U_3O_8$  for 4.7Mlb of contained  $U_3O_8$  at a 200ppm lower cutoff

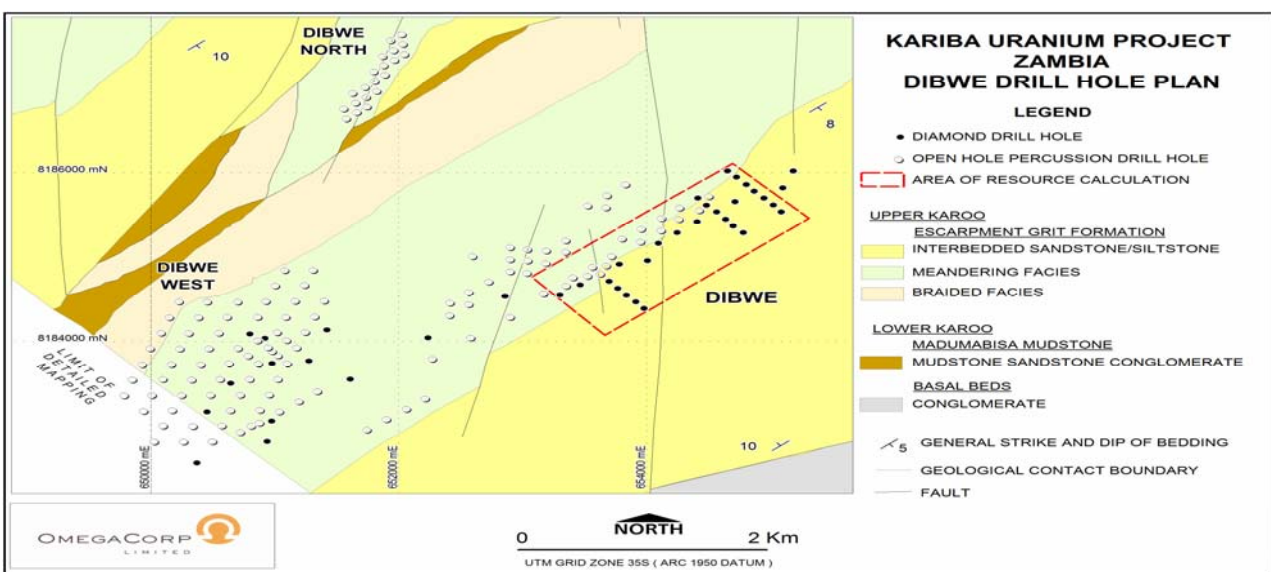
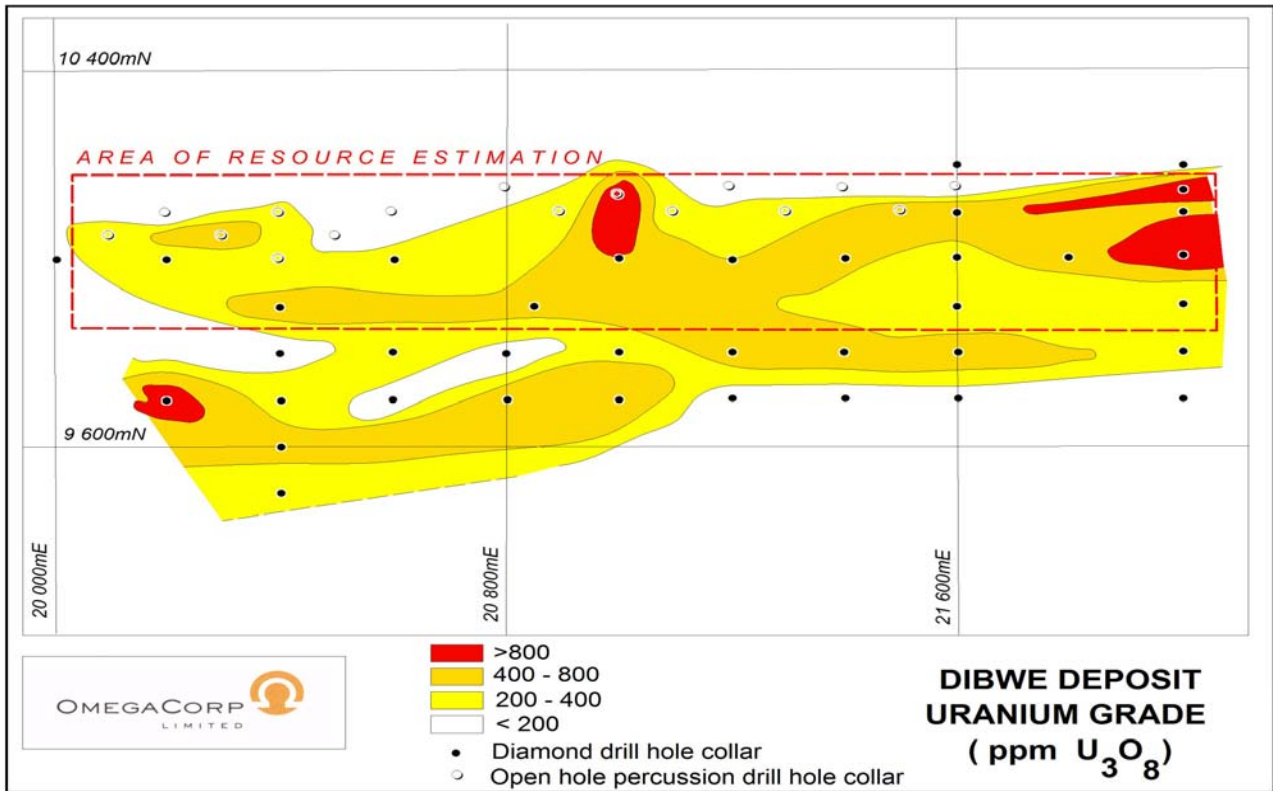


Figure 6



**Figure 7**

**Mutanga East Deposit**

The Mutanga East mineralisation is located 5km east-northeast of the main Mutanga deposit. Significant mineralisation at Mutanga East has been intersected in only four holes, drilled on a staggered 200m by 100m grid. The mineralisation occurs in three stacked lenses.

An inferred resource has been estimated for the deposit of 0.3Mt at a grade of 400ppm U<sub>3</sub>O<sub>8</sub> for 0.29Mlb of contained U<sub>3</sub>O<sub>8</sub> at a 200ppm lower cutoff.

**Mutanga West Deposit**

The Mutanga West mineralisation is located one kilometre southwest of the main Mutanga deposit. Significant mineralisation was intersected in six holes, drilled on a staggered 100m by 50m grid. The mineralisation occurs in three stacked lenses.

An inferred resource has been estimated for the deposit of 0.65Mt at a grade of 350ppm U<sub>3</sub>O<sub>8</sub> for 0.53Mlb of contained U<sub>3</sub>O<sub>8</sub> at a 200ppm lower cutoff.

## **Diamond Drilling and Surface Sampling**

Approximately 600m of diamond drilling are proposed to be completed by 31 December 2005 to test the veracity of the original drilling and also provide material for metallurgical testwork at Mutanga. It is anticipated that the results from the drilling and metallurgical testwork will be available in the March 2006 quarter.

Recent limited rock-chip sampling from outcropping mineralisation at Mutanga has returned several values  $>1\%$   $U_3O_8$ , to a maxima of  $>5\%$   $U_3O_8$ . These results will be interpreted further, with a view to identifying areas of higher grade mineralisation.

In order that the Company progresses quickly to achieve its goal of becoming a uranium producer, two metallurgists have been engaged to help with the metallurgical testwork and overall assessment of the project in the commencement of a scoping study.

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr John Chisholm, a Fellow of the Australasian Institute of Mining and Metallurgy. Dr Chisholm is Director and Principal Geologist of Continental Resource Management Pty Ltd, a consultant of OmegaCorp Limited. Dr Chisholm 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Chisholm consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.