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ANNOUNCEMENT TO THE AUSTRALIAN STOCK EXCHANGE

**INITIAL RC DRILLING RESULTS FROM THE MAVUZI PROJECT IN
MOZAMBIQUE**

The Directors of OmegaCorp Limited (“the Company”) announce the initial results from the RC drilling program on the Mavuzi Project in Mozambique. A program comprising forty seven RC drill holes for 3659 metres of drilling was completed in late November over three prospects. The results available to date cover the Kaboazi Creek and the majority of the Mavuzi Mine Prospects. This first pass drilling campaign aimed to test for both high grade (at Mavuzi Mine) and disseminated mineralisation and covered approximately 1.2 kilometres of a ten kilometre zone. Additional prospects are recorded to the north of Kaboazi Creek within this corridor of prospectivity and this program is considered only the start of the Company’s assessment of the area.

At Mavuzi Mine eight of the fifteen holes drilled returned anomalous intercepts, with the best being 6m @ 0.084% U₃O₈ from 20m (MVT25), which included 2m @ 0.21% U₃O₈ from 22m. At Kaboazi Creek (two kilometres north of the Mavuzi Mine) seven of the twenty holes drilled returned anomalous intercepts (1m @ > 0.01% U₃O₈), with a best intercept of 8m @ 0.022% U₃O₈ from 73m down hole (MVT18). The mineralisation identified at Kaboazi Creek covers over 150m in strike length and is open to the south. Although the results from Mavuzi Mine did not realise the expectation of narrow high grade zones, there is encouragement at both prospects from the widths of lower grade anomalism intersected. The results from the southern three holes at Mavuzi and the eleven holes at the Airport Prospect to the south are still awaited.

The RC drilling at Mavuzi comprised fifteen holes for 1375m covering a strike length of approximately 600m. The drilling was restricted by access and focused on the historical mine workings to a maximum of 80m vertically below surface. The results returned to date indicate the presence of uranium mineralisation over approximately 450m of strike length. The results indicate both shallow (<30m) anomalism and a continuation at depth, with five holes recording more than one zone of anomalism. The widest downhole intercept was recorded in hole MVT028 with 7m @ 0.018% U₃O₈ from 17m down hole. Drill hole MVT20A recorded eight anomalous intercepts with the deepest from 77m down hole, indicating the potential for a continuation of mineralisation at depth.

At Kaboazi Creek twenty holes totaling 1647metres of drilling were completed covering approximately 300m of strike length. The northern half of the prospect did not contain any anomalous intercepts, however in the southern half of the area drilled shallow anomalism was intersected in hole MVT16 with 4m @ 0.036% U₃O₈ from 1m down hole. Approximately 50m to the south, hole MVT18 returned a best intercept of 8m @

0.022% U₃O₈ from 75m (including 2m @ 0.04% U₃O₈ from 81m down hole) indicating the potential for the mineralisation to continue at depth.

The results from the remaining holes at Mavuzi Mine and the Airport Prospects are expected in mid January. Whilst the results received to date have not generated the anticipated narrow high grade mineralisation that is understood to have been mined, they have revealed the presence of broader widths of lower grade disseminated mineralisation. Work in the New Year will continue to evaluate the drilling results received to date and the bulk of the corridor of prospectivity which still remains within the licence area.

Enquiries-

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The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. Matthew Yates, who is a Member of The Australian Institute of Geoscientists (AIG). Mr. Yates is a full-time employee of Beacon Exploration Pty Ltd, a consultant of OmegaCorp Limited. Mr. Yates 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'. Mr. Yates consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.