



ANNOUNCEMENT TO THE AUSTRALIAN STOCK EXCHANGE: 22 DECEMBER 2006

CHANGE TO STRUCTURE OF ENTITLEMENTS UNDER MAVUZI SPIN OFF

Further to its ASX announcement dated 6 December 2006, the Board of OmegaCorp Limited (“the Company”) advises that following advice as to the taxation ramifications of the proposed Mavuzi Project spin off (“Newco”), it will be restructured from an in specie distribution and rights issue to a priority entitlement issue. All other details in relation to Denison’s conditional cash takeover bid of \$1.10 for any and all OmegaCorp’s issued shares remain unchanged.

The major points of the revised spin off are as follows:

- Newco will own the Mavuzi Project (“the Project”) in Mozambique, with Denison retaining the uranium rights in respect to the Project;
- Newco will undertake an initial public offering (“IPO”) and seek quotation of its shares on ASX following completion of the Denison take over offer. A prospectus (which will have an application form attached that will need to be completed) will be made available when Newco shares are offered under the IPO;
- OmegaCorp shareholders will now be entitled to subscribe as a priority for approximately 31 million shares of the IPO at \$0.20 per share, to be set aside for OmegaCorp shareholders on a 1 for 5 basis, plus a 1 for 2 free attaching Listed Option exercisable at \$0.20 over three years. The ex-date for the priority entitlement will be announced by the Company as soon as possible; and
- Denison will be entitled to subscribe as a priority for 5 million shares of the IPO at \$0.20 per share, plus a 1 for 2 free attaching Listed Option exercisable at \$0.20 over three years.

Newco’s capital structure is still to be completed, however, it will include entitlements rights for OmegaCorp shareholders and Denison as follows:

Holder	Newco Shares from Priority Entitlement	Newco Options from Priority Entitlement	Proceeds to Newco (ex Options)
Omegacorp/IPO shareholders	31,000,000	15,500,000	\$6,200,000
Denison	5,000,000	2,500,000	\$1,000,000
Total	36,000,000	17,500,000	\$7,200,000

The Newco Board will initially comprise three existing OmegaCorp directors, Messers Ian Middlemas, Matthew Yates and Mark Pearce.

Further details of Newco, including a detailed description of its assets and capital structure etc, will be included in the Explanatory Memorandum in the Notice of General Meeting to be sent to shareholders shortly.

Enquiries-

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