

9th January 2008

KYRGYZ URANIUM TAILINGS LICENSES ISSUED TO LPU

- Tailings from largest Soviet uranium mining area in Kyrgyzstan
- Potential for significant short-term uranium production
- Sampling results up to 0.069% uranium

Nimrodel is extremely pleased to announce that its 100% owned Kyrgyz subsidiary Linia Prava Uranium ("LPU"), has been issued licenses covering 4,800 hectares by the Kyrgyz Government to allow prospecting for the re-processing and extraction of uranium and other metals from 23 tailings deposits in the Mailuu-Suu district of Central Kyrgyzstan.

The Mailuu-Suu district was the largest uranium mining area in Soviet times and was mined underground from 1946-1968 on 5 separate sites.

The licenses will allow LPU to carry out a detailed exploration programme to accurately define the resource in cooperation with all the relevant national and international authorities to establish the technical and commercial viability of the Project.

In conjunction with a number of activities undertaken by the Company to assess this opportunity, LPU recently carried out preliminary sample reconnaissance drilling of 5 of these tailings deposits. This work did not constitute a formal exploration programme, and was undertaken to assist the Company in its decision whether to progress with the Project. 45 random samples were obtained, with uranium contents of between 0.004 – 0.069% at depths from 4 -11 meters. Documentation issued by the European Union's Tacis programme (Project No. G4.2/93) defines a total volume of the tailings deposits of approx. 2 million cubic metres (or approx. 4 million tonnes based on an specific gravity of 2.0)

Nimrodel's Managing Director, John Heberton, noted that "although this data is preliminary and may not be representative of the total license area, it has provided sufficient evidence and encouragement for the Company to proceed with a structured programme to accurately assess and define the resource. The Company is excited to be granted the right to assess the potential for uranium production from such a significant historical uranium producing province".

The Company is currently formalizing an exploration programme to commence this month which will include mineralogical and metallurgical testwork.

This initiative has the potential to accelerate LPU progress to becoming a uranium producer, while continuing its aggressive exploration programme on its 3700 km² leases in Southern Kyrgyzstan. It also leverages off LPU's significant operational capability in Kyrgyzstan and is complementary to the largest aerial geophysical survey ever carried out in Kyrgyzstan which LPU completed in December 2007.

In addition, the Company will be supported in the fields of tailings management, hydrogeology, mining engineering, processing and environmental science by Australian expertise and Consulting Groups whose skills are held in the highest regard internationally. This will ensure the application of "world's best practice" to the Project.

The Project allows LPU to work with the relevant authorities to potentially not only significantly reduce the environmental risk the tailings pose but to also create a substantial income stream for Nimrodel.

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