

DATE | 29 December 2008

REF# | Scimitar Completes \$2.3m Convertible Note Funding

ASX Announcement

Scimitar Completes \$2.3m Convertible Note Funding

Scimitar Resources Limited ("SIM") is pleased to announce it has completed the secured convertible note agreement with Dempsey Resources Pty Ltd ("Dempsey") and raised \$2.3m. Under the terms of the agreement, Dempsey has the right before the repayment date of 24th March 2010 to convert the Note into ordinary shares in SIM, subject to the approval by SIM shareholders. The conversion price will be \$0.15. SIM has agreed to pay interest at a rate of 12% pa on the convertible note.

Scimitar controls over 20,000 km² of uranium prospective tenements across three Australian states. The 100% owned projects are effectively among the largest uranium portfolios, in historically some of the most uranium prospective areas, in Australia. Scimitar has identified an Inferred resource of 4.8 million pounds of eU₃O₈ at a grade of 300ppm at the Bennet Well deposit, located in Western Australia where a ban on uranium mining was recently lifted.

SIM and fellow Australian resources company Jackson Minerals Limited (ASX: JAK) ("Jackson") have entered into a conditional merger implementation agreement to merge the two companies by way of a Scheme of Arrangement (Scheme). This funding will be utilised for further exploration of the uranium portfolio and the merger with Jackson.

Fast Facts

Listed ASX Jan 2005
Shares: 50.1 million
Options: 9.3 million
ASX Code: SIM

Management

Terry Topping	Managing Director
Kent Hunter	Director
Andrew McBain	Director
Raj Logaraj	Director

Major Shareholders

Management	18.5%
Mega Uranium Ltd	4.5%

Head Office

35 Richardson St
West Perth WA 6005
T : +61 8 9486 7400
F : +61 8 9321 6878

www.scimitarresources.com.au

Corporate Advisors

Terrain Capital

Terry Topping

Managing Director

+61 (08) 9486 7400

terry.topping@scimitarresources.com.au