

ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE: 2 FEBRUARY 2009

INITIAL RESOURCE OF 35.9 MILLION POUNDS U₃O₈ AT MKUJU RIVER PROJECT

The Directors of Mantra Resources Limited ('Mantra' or 'the Company') are pleased to announce an initial Mineral Resource estimate ('MRE') for the wholly owned Nyota and NW Trend Prospects which form part of the larger Mkuju River Project ('the Project') in southern Tanzania.

The Inferred Mineral Resource has been estimated at **39.9 million tonnes averaging 409 ppm U₃O₈ for a contained 35.9 million pounds of U₃O₈ (or approximately 16,300 tonnes contained U₃O₈) at a lower cut-off grade of 200 ppm U₃O₈**. The MRE covers only the areas drilled to date at the Nyota and NW Trend Prospects and is based on data from the approximately 40,000 metre drilling campaign completed by the Company last year.

The MRE has been prepared by independent consultants CSA Global Pty Ltd ('CSA') and is reported in accordance with the JORC Code (2004).

| Mkuju River Project | | | |
|--|-------------------------------------|---|--|
| Nyota and NW Trend Prospects – Inferred Mineral Resource Estimate | | | |
| Lower Cut-off (U₃O₈ ppm) | Tonnage (million tonnes) | Grade (U₃O₈ ppm) | Contained U₃O₈ (million pounds) |
| 250 | 29.7 | 472 | 30.9 |
| 200 | 39.9 | 409 | 35.9 |
| 150 | 49.9 | 362 | 39.8 |

Note: Apparent differences may occur due to rounding

Key points are summarised as follows:

- The MRE is an initial resource for the Project and the potential exists to substantially increase this resource base with ongoing work;
- The MRE covers an area of approximately 9 square kilometres which represents only a small part of the overall target area of the Nyota and NW Trend Prospects;
- Mineralisation remains open within the current resource areas. In addition, numerous other radiometric anomalies at the Prospects, and within the broader Project area, have not yet been drilled;
- The uranium mineralisation is dominantly sandstone hosted and occurs in multiple stacked, flat lying horizons at shallow depths, with thicknesses up to 41 metres;
- The majority of the MRE is within 60 metres of surface; and
- Further drilling programs, aimed at expanding the MRE and upgrading the resource classification, are planned.



Mantra's Joint Managing Director Robert Behets said "This initial Mineral Resource estimate is a significant milestone in the evolution of the Company and clearly demonstrates the significant potential of the Project. We believe that it provides an excellent platform for future growth as well as greatly enhancing Mantra's ability to fulfil its strategic objective of becoming a uranium producer in the near term."

The Company will continue to assess the economic viability of the Project through the Scoping Study, which is expected to be completed during the second quarter of 2009.

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MKUJU RIVER PROJECT – MINERAL RESOURCE ESTIMATE DETAILS

Project Location and Geology

The Mkuju River Project ('MRP') is located in southern Tanzania, approximately 470km southwest of Dar es Salaam (Figure 1).

The MRP lies within the Karoo Supergroup sediments of Permian to Jurassic age (Figure 2). The host stratigraphy is a series of sub-horizontal, very coarse, feldspathic, arkosic sandstones with minor inter-bedded claystones and siltstones. The sediments are interpreted to have been deposited within a braided fluvial system. The Project area is divided in the Nyota Prospect located in an area of steep sided hills and valleys and the NW Trend Prospect to the south which has less prominent topography.

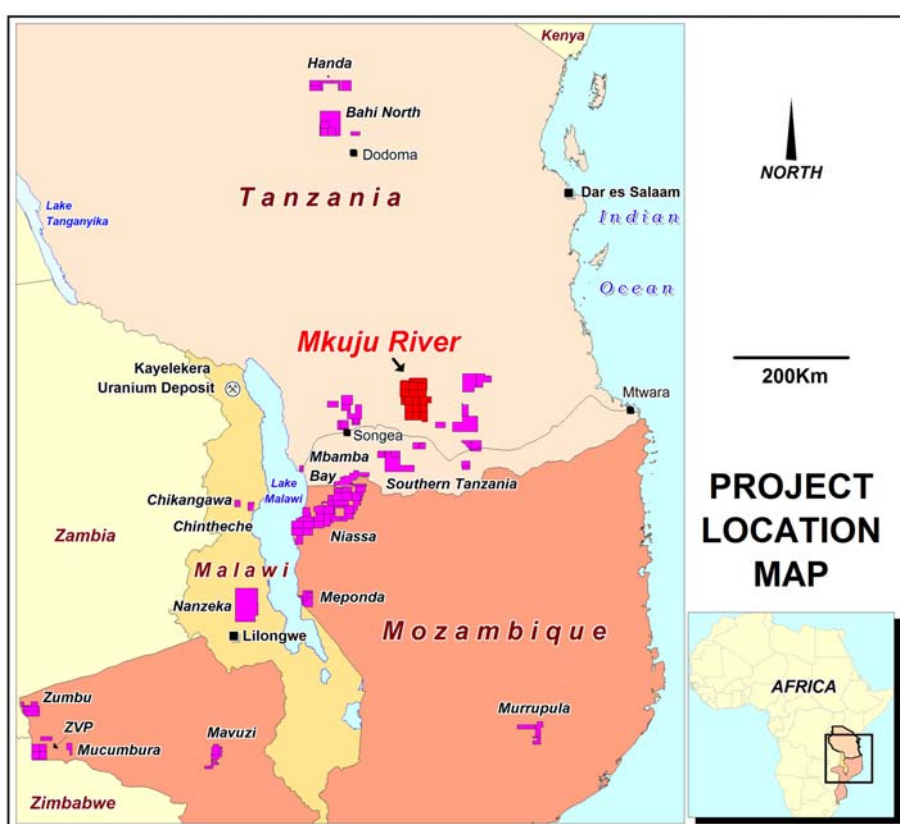


Figure 1: Project Location Map

Drilling undertaken by Mantra has confirmed the presence of multiple stacked mineralised horizons of variable thickness at shallow depths. Higher grade mineralisation is also observed at surface in outcrop and trenches. Surficial enrichment is interpreted to have contributed to the higher grade nature of this near surface mineralisation.

Mapping and geophysical surveys of the area indicate a series of NNE and NW oriented, sub-vertical normal faults. This faulting is interpreted as a strong control on the incised topography observed within the Prospect areas, and hence the distribution of the surface exposures of the sub-horizontal zones of mineralisation.

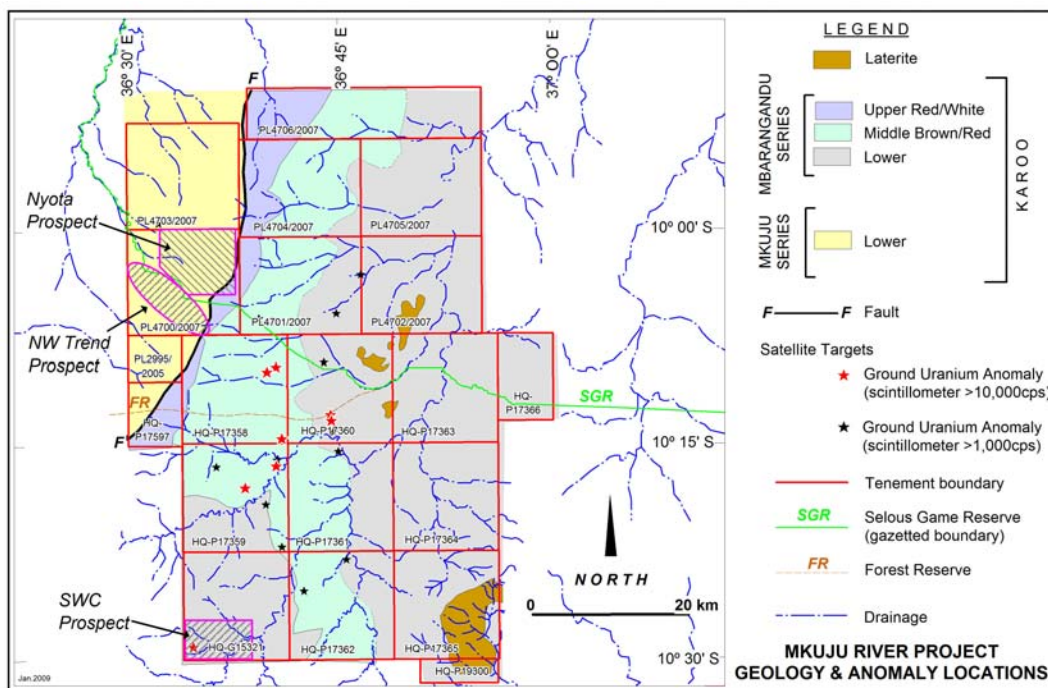


Figure 2: Geology and Prospect Locations

Work Undertaken by Mantra

Drilling at the Nyota Prospect consists of 378 holes, for a total of 24,287 metres. The drilling consists of 297 holes using air core, 75 using reverse circulation ('RC') and 6 using diamond core (Figure 3).

Drilling at the NW Trend Prospect consists of 268 holes, for a total of 15,952 metres. The drilling consists of 175 air core holes, 71 RC holes and 22 diamond core holes.

A total of three HQ size diamond core holes were drilled, the remaining 25 diamond holes were PQ size for most of their length. Diamond drill core was used for metallurgical and in-situ dry bulk density test work.

RC chips and air core samples were sent to the ALS Chemex laboratory in Mwanza, Tanzania for sample preparation. Analysis was undertaken at the ALS Chemex laboratory in Perth, Western Australia using 4 acid digest, and ME-ICP61 for a full multi-element analysis, with routine follow up XRF-10 for U_3O_8 values >500 ppm.

Down-hole gamma logs were recorded for all drill holes using an Auslog A088 27 millimetre Gamma probe. The down-hole logging was undertaken by Mantra with regular QA/QC procedures in place. Duplicate assay and gamma data was collected to ensure good correlation between the two methods of U_3O_8 measurement.

Trenching was used to sample mineralisation exposed at surface in areas where steep topography prevented the use of conventional drill rigs. Geological mapping and continuous channel sampling was undertaken over the full thickness of the vertical faces of the trench downhill steps. It is noted that the trench sample grades are regularly 2 to 3 times higher than the average below surface grades. This surface enrichment is possibly related to the improved mineralisation environment created by the presence of near surface biomass.

Three types of data were used in the Mineral Resource estimate: assay data from drill hole samples; down hole gamma data from drill holes; and assay data from trench samples. Assay data was given priority over geophysical data. Where no assay data was available, in 123 of the 415 holes in the mineralised MRE subset of the drill hole database, geophysical data was used.

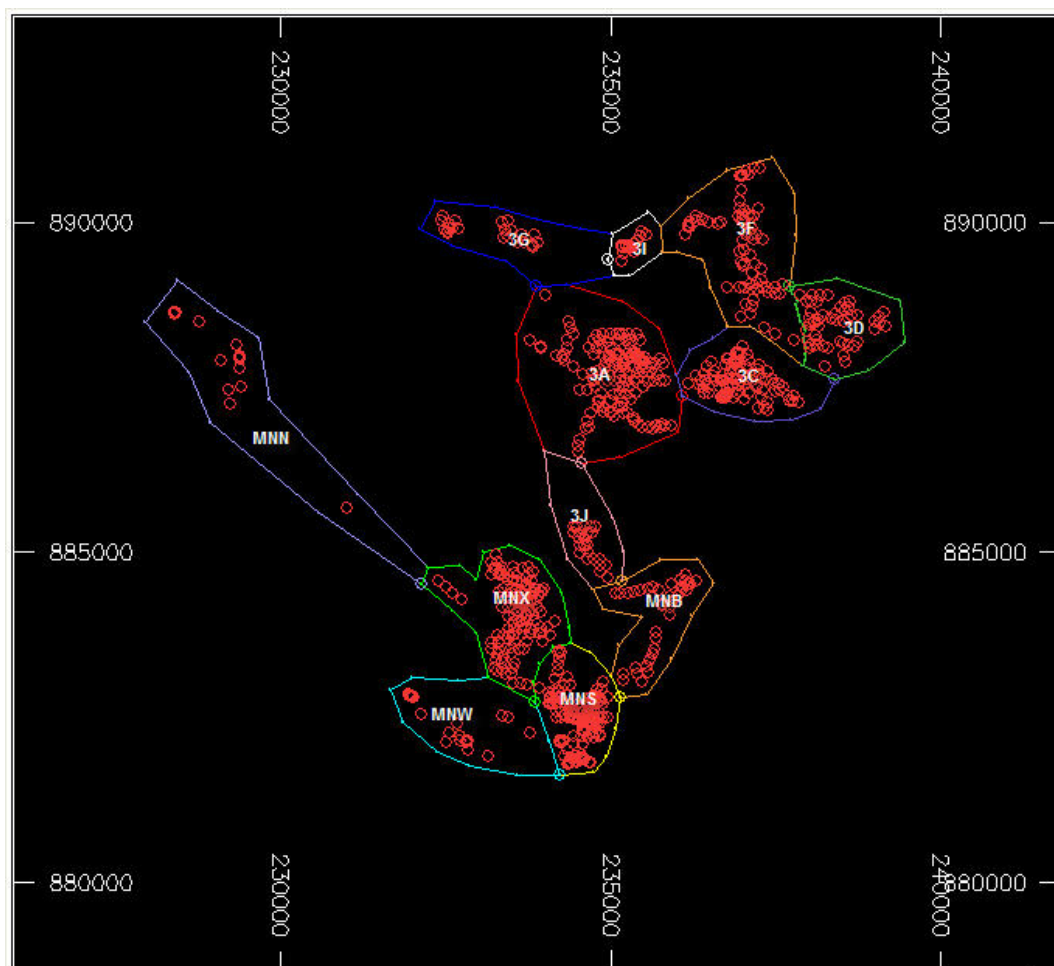


Figure 3: Plan view showing drill hole locations and area boundaries

Mineral Resource Estimation by CSA

Resource modelling for the MRP has been undertaken on two prospects; the Nyota Prospect comprising of seven individual areas of mineralisation; and the NW Trend Prospect comprising of three individual areas, separated by topography. The mineralisation has been interpreted as being contained within sub-horizontal sedimentary units bound by claystone bands. Local faulting and fracturing has impacted the distribution of the mineralisation both positively and negatively.

Drill hole intercepts with a nominal cut-off grade of greater than 150 ppm U_3O_8 over a minimum thickness of 2 metres were considered for use in the resource. The mineralisation intercepts for the 10 areas were wire framed. Wireframes were extended 50 metres along strike and 25 metres across strike for a single interval. In areas where mineralisation was continuous between drill holes and sections, the wireframes were combined into a single zone of mineralisation.



In areas where surface mapping or trench sampling indicated that the mineralisation extended from the drill hole intercepts to the surface, the interpretation was extended to include the surface mineralisation. All mineralisation located in the top 2 metres of each deposit, was coded as “trench” and estimated as a separate grade population using trench assay data.

The drill hole dataset that describes the mineralisation was composited down the hole to one metre intervals. Assay data was given priority over geophysical data. Where no assay data was available geophysical data was used.

QA/QC information for all assay and geophysical data types was reviewed and showed acceptable levels of precision and accuracy. A comparison between assay and geophysical results for samples containing both methods of grade measurement, within the mineralisation volumes, was completed. The U_3O_8 grade populations were very similar, with average geophysical measurements being within 8% of the assay results. In general the geophysical results were slightly higher for the lower grade ranges of U_3O_8 . However; it must be noted that a number of the samples submitted for assay, showed potential underestimation of assay grade when compared to the U_3O_8 standards submitted with the batch. This may be a possible explanation for the small difference between assay and geophysical results.

Statistical analyses from the mineralised population were documented for U_3O_8 . Top cuts were applied separately for drill hole and trench data. The top cuts applied to the drilling data ranged from 600 to 2500 ppm U_3O_8 , with exception of MNS at 4000 ppm U_3O_8 . The trench data was cut at 5500 ppm U_3O_8 for the Nyota Prospect mineralisation and 3000 ppm U_3O_8 for the NW Trend Prospect mineralisation. No geostatistical analysis was completed for the resource estimate.

A volume block model was constructed, using the mineralised envelopes and topographic surface. A parent block of 25 metres x 25 metres x 2 metres (X x Y x Z) was applied. Sub blocking was applied down to the smallest cell size of 2.5 metres x 2.5 metres x 0.5 metres (X x Y x Z), in order to represent mineralised volumes with reasonable accuracy.

Grade Estimate

Grade estimation was carried out using IDW² (Inverse Distance Weighting squared method). Grade was estimated into parent block volumes. Two separate search ellipses were used for the drill hole data (200 metres x 100 metres x 10 metres), and the trench data (50 metres x 50 metres x 20 metres). The U_3O_8 grade of the surface and drill hole domains were estimated independently. This was required because the surface mineralisation represented by the trench sampling is a much higher grade than the below surface mineralisation represented by the drilling data.

Three estimation runs were completed for the drill hole data, each with increasing search radii, the second pass used double the initial search dimensions, and the third multiplied by ten. This was required to ensure a suitable minimum number of samples and drill holes were used to make a block grade estimate. On average approximately 50% of the resource was estimated in pass one, and only a small % requiring pass 3. Only one pass was undertaken for the trench data. All surface mineralisation not assigned a grade within the 50 metre trench search radius was assigned the average grade of the trenches in the area.

Material outside the interpreted mineralised zone was not assigned a grade.

An in-situ dry bulk density of 2.0 was applied to all blocks in the model. This was based on analysis of diamond core samples.



Mineral Resource Estimate

The entire MRE for the 10 areas of mineralisation located within the Nyota Prospect and NW Trend Prospect has been classified as Inferred, based on the guidelines specified in the JORC Code (2004 Edition). CSA has considered the following in determining the classification of the MRE:

- Adequate validation of tenement title, drilling, sampling and geological process completed during the site visit by Malcolm Titley, Principle Consultant, CSA Global (UK) Ltd, during the period 15th to 18th of April 2008.
- Adequate geological evidence of U₃O₈ mineralisation through the use of multiple methods of U₃O₈ measurement.
- Adequate geological evidence for continuity of mineralisation at the cut-off grade used in the estimation of the mineral resource.
- Adequate QA/QC controls in place to validate the U₃O₈ grades.
- Adequate geological mapping and surface sampling data to demonstrate the mineralisation style and geological continuity.
- Near surface mineralisation, suitable U₃O₈ grade and known economic extraction methods ensure this resource has reasonable prospects for economic extraction.

Table 1 presents the MRE by Prospect and area at a 200 ppm U₃O₈ lower cut-off grade, and Table 2 the grade tonnage tabulation and graph for a number of grade cut-off's for the entire resource:

Table 1: Mkuju River Project - Inferred Mineral Resource Estimate as at 31st January, 2009

| Mantra Resources Ltd - Mkuju River Project | | | | | |
|--|----------------|---|--|---|---------------------------|
| Nyota and NW Trend Prospects | | | | | |
| Mineral Resource Estimate as at 31st January, 2009 | | | | | |
| All Resources are Classified as Inferred | | | | | |
| Area | Mtonnes | U₃O₈ ppm | U₃O₈ Mlbs | U₃O₈ KTonnes | Insitu Density |
| 3A | 12.3 | 405 | 11.0 | 5.0 | 2.0 |
| 3C | 7.8 | 416 | 7.1 | 3.2 | 2.0 |
| 3D | 6.2 | 475 | 6.4 | 2.9 | 2.0 |
| 3F | 3.9 | 361 | 3.1 | 1.4 | 2.0 |
| 3G | 0.6 | 266 | 0.4 | 0.2 | 2.0 |
| 3I | 0.6 | 543 | 0.7 | 0.3 | 2.0 |
| 3J | 0.4 | 371 | 0.3 | 0.2 | 2.0 |
| MNB | 0.6 | 617 | 0.8 | 0.4 | 2.0 |
| MNS | 2.9 | 445 | 2.9 | 1.3 | 2.0 |
| MNX | 4.6 | 317 | 3.2 | 1.5 | 2.0 |
| Total Inferred | 39.9 | 409 | 35.9 | 16.3 | 2.0 |

The resource is estimated at a lower U₃O₈ cut-off of 200 ppm.

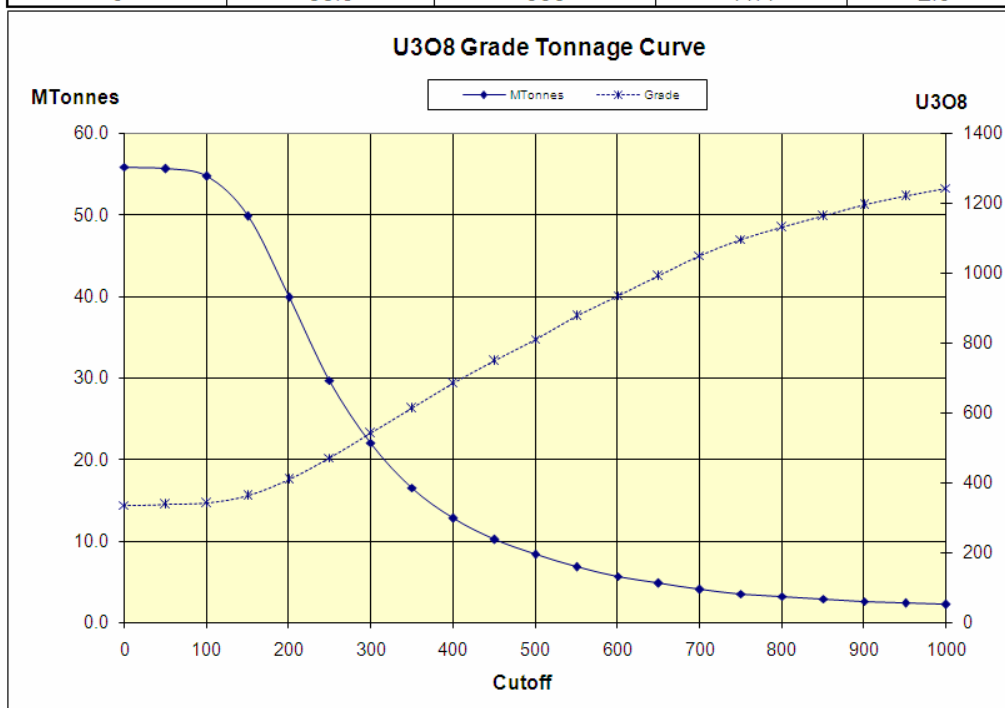
All figures are rounded to reflect appropriate levels of confidence.

The in-situ density is the in-situ dry bulk density.



Table 2: Mkuju River Project – U₃O₈ Grade Tonnage tabulation as at 31st January, 2009

| Mantra Resources Ltd - Mkuju River Project | | | | |
|--|---------|----------|-----------|---------|
| Nyota and NW Trend Prospects - Grade Tonnage Tabulation as at 31st January, 2009 | | | | |
| U3O8 ppm cutoff | MTonnes | U3O8 ppm | U3O8 Mlbs | Density |
| 1000 | 2.2 | 1243 | 6.0 | 2.0 |
| 950 | 2.4 | 1221 | 6.4 | 2.0 |
| 900 | 2.6 | 1194 | 6.9 | 2.0 |
| 850 | 2.9 | 1162 | 7.5 | 2.0 |
| 800 | 3.2 | 1131 | 8.0 | 2.0 |
| 750 | 3.6 | 1097 | 8.6 | 2.0 |
| 700 | 4.1 | 1051 | 9.4 | 2.0 |
| 650 | 4.8 | 991 | 10.5 | 2.0 |
| 600 | 5.7 | 936 | 11.7 | 2.0 |
| 550 | 6.8 | 877 | 13.1 | 2.0 |
| 500 | 8.3 | 812 | 14.9 | 2.0 |
| 450 | 10.2 | 749 | 16.9 | 2.0 |
| 400 | 12.8 | 684 | 19.2 | 2.0 |
| 350 | 16.6 | 613 | 22.4 | 2.0 |
| 300 | 22.1 | 541 | 26.3 | 2.0 |
| 250 | 29.7 | 472 | 30.9 | 2.0 |
| 200 | 39.9 | 409 | 35.9 | 2.0 |
| 150 | 49.9 | 362 | 39.8 | 2.0 |
| 100 | 54.7 | 342 | 41.2 | 2.0 |
| 50 | 55.7 | 337 | 41.4 | 2.0 |
| 0 | 55.9 | 336 | 41.4 | 2.0 |



The information in this Report that relates to in-situ Mineral Resources is based on information compiled by Malcolm Titley of CSA Global Pty. Ltd. Malcolm Titley takes overall responsibility for the Report. He is a Member of the Australasian Institute of Mining and Metallurgy (AUSIMM) and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a Competent Person in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2004 Edition). Malcolm Titley consents to the inclusion of such information in this Report in the form and context in which it appears.