

SIRIUS RESOURCES NL

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Projects
Collurabie:

nickel, copper, PGM's

Fraser Range:

nickel, copper, PGM's

Polar Bear:

nickel, PGM's

Boundary Well:

nickel

Lawlers:

nickel

Youanmi:

nickel, copper, zinc, PGM's, gold


MORE ELECTROMAGNETIC TARGETS AT LAWLERS

- **3 more electromagnetic (EM) targets identified in second survey on the Lawlers Joint Venture**
- **A total of 7 targets now identified at Lawlers**
- **Third EM survey to commence shortly**

Sirius Resources (ASX:SIR) advises that it has identified a further three electromagnetic (EM) conductors in its second EM survey at Lawlers, bringing the total number of EM targets identified to seven. A third survey is expected to commence before the end of October.

The second EM survey covers ultramafic rocks over part of the Lawlers 2008 Nickel Joint Venture on the western side of the 14 Mile Creek syncline (Figure 1).

The southernmost of these EM conductors is a subtle conductor interpreted to be located on the basal contact of the ultramafic, where nickel sulphide deposits are typically found. The central EM conductor is a strong conductor modelled at a depth of 300m below surface on the interpreted down dip extension of the basal contact of the ultramafic. The third EM conductor is situated in the footwall sequence to the ultramafic unit. Whilst this is in an unusual position it is of interest because there are several known examples of nickel sulphide deposits which have been structurally remobilised and spatially detached from their parent ultramafic rocks. The location of the three new EM conductors is shown in Figure 2.

A third EM survey is scheduled to commence before the end of October and is expected to take 4-6 weeks to complete. Once this survey has been completed all EM conductors will be prioritised for drilling, which is planned to commence prior to Christmas.

EM is the prime technique used for massive nickel sulphide exploration as it detects conductive sub-surface zones related to accumulations of sulphide minerals, but similar responses may also be caused by barren sulphides and other conductive materials such as graphitic shales or saline groundwater. The size and amplitude of the anomalies generated using this technique does not necessarily directly relate to the size of their

source. Anomaly size reflects a combination of the conductivity, geometry and depth of the source, the electrical and physical properties of the surrounding host rock, the depth and nature of weathering, and the presence and nature of any groundwater.

As announced to the ASX on 17th September, Sirius recently earned a 70% interest in the Lawlers Nickel Joint Venture (2006) following expenditure of A\$1.5 million during the last three years, and is earning similar rights on the adjacent Lawlers 2008 Nickel Joint Venture under similar terms. The project is situated in the heart of Western Australia's nickel producing district, and covers 80 strike kilometres of stratigraphy which also hosts BHP's nearby Leinster and Mt.Keith operations, Xstrata's Cosmos, Prospero and Sinclair mines, and Norilsk's Waterloo nickel mine.

A handwritten signature in black ink that reads "Mark Bennett".

Mark Bennett
CEO and Managing Director
Sirius Resources NL

Important Notice

This press release is not an offer of securities for sale in the United States. No security of Sirius has been registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), and no such security may be offered or sold in the United States absent registration under the U.S. Securities Act and applicable state securities laws or an exemption from registration under the U.S. Securities Act and such laws.

Competent Persons statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr. John Bartlett, Mr. Will Dix and Mr. Andy Thompson, who are seconded to the company via a services agreement with Apex Minerals. Mr. Bartlett, Mr. Dix and Mr. Thompson are Members of the Australasian Institute of Mining and Metallurgy and have sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as Competent Persons as defined in the 2004 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Bartlett, Mr. Dix and Mr. Thompson consent to the inclusion in this report of the matters based on information in the form and context in which it appears.

Exploration results are based on standard industry practices, including sampling, assay methods, and appropriate quality assurance quality control (QAQC) measures. Reverse circulation (RC), aircore and rotary air blast (RAB) drilling samples are collected as 1 metre samples and composited where stated. Core samples are taken as half core sampled to geological boundaries where appropriate. All samples are prepared using four acid digest, lead collection or nickel sulphide collection fire assay, and assayed using inductively coupled plasma mass spectrometry (ICPMS), inductively coupled optical emission spectrometry (ICPOES) or atomic absorption spectrometry (AAS) at reputable laboratories in Perth, Western Australia. The accuracy and precision of analytical results is monitored by the use of internal laboratory procedures and certified standards and subsequent statistical analysis to ensure that results are representative.

Mineral Resources, where stated, have been estimated using standard accepted industry practices, as described in each instance. Top cuts have been applied to the composites based on statistical analysis and consideration of the nature and style of mineralization in all cases. Where quoted, Mineral Resource tonnes and grade, and contained metal, are rounded to appropriate levels of precision, which may cause minor apparent computational errors. Mineral Resources are classified on the basis of drillhole spacing, geological continuity and predictability, geostatistical analysis of grade variability, sampling analytical spatial and density QAQC criteria, demonstrated amenability of mineralization style to proposed processing methods, and assessment of economic criteria.

Figure 1. Extent of EM coverage relative to the prospective ultramafic at Lawlers.

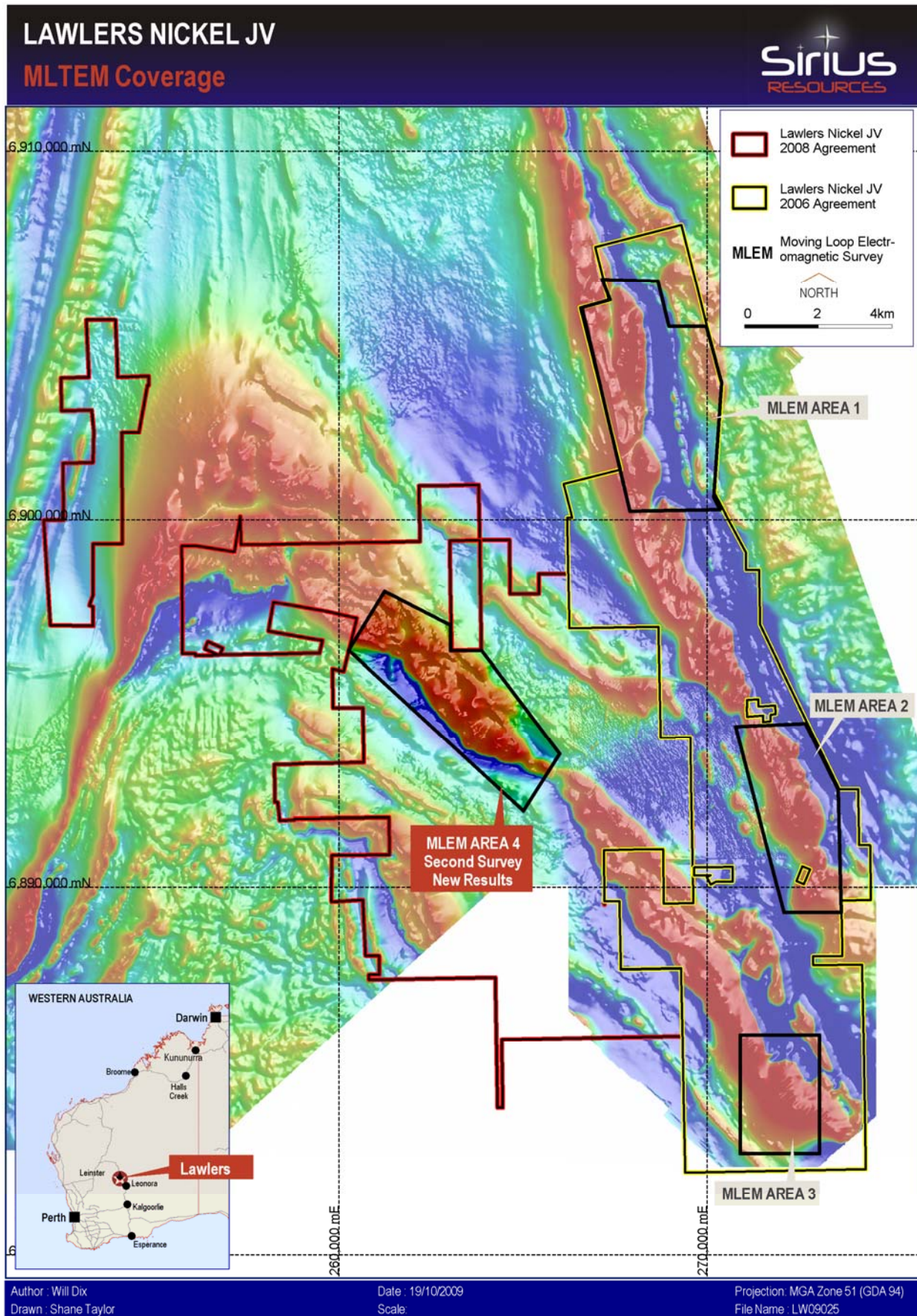


Figure 2. EM conductors in the second survey (area 4) at Lawlers.

