

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT**26th August 2010****Drilling Hits More Nickel Sulphides at Mt Thirsty**

Fission Energy Limited (ASX: FIS) and 50% Joint Venture partner Barra Resources Limited (ASX: BAR) are pleased to announce that follow up RC drilling at Mt Thirsty has intersected nickel sulphide stringers in hole MTRC020 drilled 50m to the north of discovery hole MTRC015 (refer ASX announcement 19 May 2010). Mt Thirsty is located 20 kilometres north-northwest of Norseman in southern Western Australia.

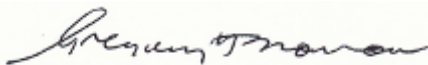
In May this year RC hole MTRC015 (370,970E 6,446,450N GDA Zone 51) intersected a 6 metre thick zone of massive stringer nickel sulphides assaying 3.38% nickel over 6m from a down hole depth of 201 metres adjacent to the footwall ultramafic contact within an interpreted lava channel embayment. RC drilling is currently in progress to follow up this intersection and the third hole in the program has intersected nickel sulphide stringers. A fourth RC hole is presently underway.

Hole MTRC020 (370,970E, 6,446,500N) inclined 60° to the west was drilled 50m to the north of MTRC015 on the same easting and intersected thin massive nickel sulphide stringers over a 2m interval from 208 to 210m down hole* at the base of a 40m thick serpentinised cumulate ultramafic immediately above a footwall pyroxenite contact. It is believed that the intersection in hole 20 is probably on the same contact as the sulphides in hole MTRC015.

Handheld XRF analyser results on drill chips confirm that significant nickel sulphides are present. The intervals however have not yet been subjected to chemical assay.

The first two holes in the follow up program were drilled 25 and 50m to the south of MTRC015 on the same easting and intersected only a weakly mineralised footwall contact at shallower depth suggesting the channel has closed out in this direction and further potential lies to the north.

The joint venture partners are extremely encouraged by the latest nickel sulphide discovery which may considerably enhance the nickel sulphide potential at Mt Thirsty. Confirmation of the nickel grades by chemical analysis is eagerly awaited.



Greg Solomon
Executive Chairman

** True width is currently uncertain but may be less than down hole width.*

The interpretations and conclusions reached in this report are based on current geological theory and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for complete certainty. Any economic decisions that might be taken on the basis of interpretations or conclusions contained in this report will therefore carry an element of risk.

The information in this announcement, insofar as it relates to Mineral Exploration activities, is based on information compiled Michael J. Glasson and Robert N Smith, who are members of the Australian Institute of Geoscientists, both of whom have more than five years experience in the field of activity being reported on. Mr Glasson and Mr Smith are consultants. Mr Glasson and Mr Smith have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Glasson and Mr Smith consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

It should not be assumed that the reported Exploration Results will result, with further exploration, in the definition of a Mineral Resource.