



PADBURY
MINING LIMITED
A.C.N. 009 076 242



AURIUM
RESOURCES
LIMITED

URANIUM PROSPECTIVITY TO BE PURSUED AGGRESSIVELY

Highlights:

- **As part of its exploitation maximisation program Padbury Mining Limited (ASX: PDY) is examining uranium potential on its Mt Padbury tenements**
- **Historical data of 200-2000ppm present**
- **CSA Global engaged to identify potential targets**

Padbury Mining Ltd and its Joint Venture (JV) partner, Aurium Resources Limited, are pleased to announce that they have commenced desktop studies into the uranium potential of their Peak Hill Project (Figure 1) in the Glengarry Basin in WA's Mid-West region.

The area is considered prospective for three styles of uranium deposit:

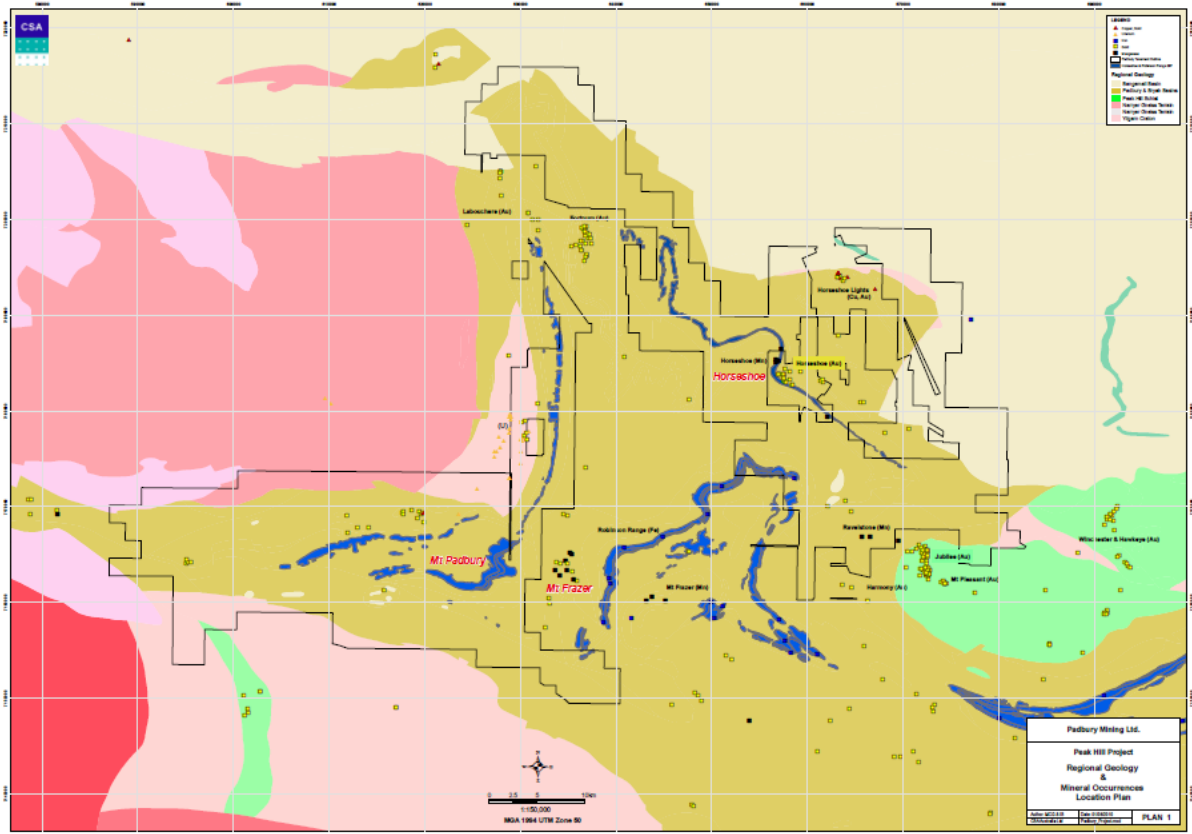
1. Calcrete-hosted deposits in valley-fill sediments along Tertiary drainage channels, and in playa lake sediments similar to Yeelirrie, and Lake Way in Western Australia;
2. Palaeochannel-hosted deposits within Tertiary sediments overlying bedrock similar to those at Beverley, Beverley Four Mile and Honeymoon in South Australia; and,
3. Unconformity type uranium, hosted at and immediately above the major unconformity between the Yilgarn Block and the Lower Proterozoic Glengarry sediments. Similar styled deposits include Jabiluka and Ranger in the Northern Territory.

Calcrete, sandstone and unconformity-related deposits have formed as a result of uranium mobilisation from older uranium-enriched source rocks, such as uranium-enriched felsic igneous rocks, under surface (low-temperature, oxidizing) conditions, and precipitation by redox reactions.

Previous exploration in the Project Area identified rock chip samples containing up to 2000 ppm (0.2%) uranium oxide in calcrete.

Previous Exploration

The MidWest of Western Australia is a known uranium prospective area and exploration has been carried out in the region by numerous companies including Uranex, BHP and WMC, in the 1970's. Their efforts resulted in the discovery of calcrete-hosted uranium oxide at Yeelirrie, Lake Way and numerous other smaller deposits. Within the Peak Hill area calcrete-hosted uranium oxide is known at Billara Bore (Montezuma Mining) and at Mt Padbury (Fairstar Resources). Empire Resources identified bedrock-related uranium occurrences within the Yarlalweelor Granite at its Doris, Kangaroo Ridge and Mica Bore Prospects.



Proposed Exploration Programme

The previous work has indicated uranium mineralisation exists within the project area. The JV partners have already completed a detailed airborne radiometric and magnetic survey. This data will be interpreted together with other remotely sensed data to identify prospective rocks and structures, and attempt to map out buried palaeochannels and suitable trap sites for uranium.

For further information please contact:

Gary Stokes

Managing Director

Padbury Mining

+61 8 9361 5400

Technical information in this report has been prepared under the supervision of Mr Jonathon King, a director of Weston Consultancy Group Pty Ltd, and a member of the Australian Institute of Geoscientists (AIG).

Mr King has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Mr King consents to the inclusion in this report of the information, in the form and context in which it appears.