

SIRIUS RESOURCES NL

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Projects:

Fraser Range nickel-copper, gold

Polar Bear gold, nickel

Canyon Creek molybdenum,
copper, gold

Youanmi nickel, copper, PGM's

Collurabbie nickel, copper, PGM's



NOVA UPDATE

Sirius Resources NL (**ASX:SIR**) ("**Sirius**" or the "**Company**") advises that it has received further assays and that drilling continues to expand its Nova nickel-copper deposit, as follows:

Assay results

Assay results have been received for several holes drilled on the 550N, 600N and 700N lines as summarised below and detailed in Table 1 and Figure 1.

Hole SFRD0042, the westernmost hole drilled on the 700N line intersected:

- 22.7 metres @ 0.91% nickel and 0.73% copper from 361.3 metres, and;
- 21.65 metres @ 1.5% nickel and 0.63% copper from 392 metres.

Hole SFRD0043, drilled down dip from SFRD0041 on the 600N line intersected:

- 5.4 metres @ 4.72% nickel and 2.01% copper from 314.4 metres, and;
- 13.83 metres @ 3.11% nickel and 0.97% copper from 330.74 metres, including;
- 5.84 metres @ 5.11% nickel and 1.4% copper.

Hole SFRD0044, drilled down dip from SFRD0043 on the 600N line intersected:

- 4.58 metres @ 2.33% nickel and 0.67% copper from 327.8 metres, and;
- 1.86 metres @ 1.17% nickel and 0.99% copper from 348.05 metres, and;
- 7.21 metres @ 2.2% nickel and 1.27% copper from 356 metres.

Drilling - 650N infill line

Hole SFRD0077, drilled on the 650N line, has intersected a 60 metre thick zone of mineralisation including the following:

- 18.4 metres of massive sulphides from 360 metres, and;
- 12.3 metres of massive, breccia and stringer sulphides from 400 metres.

This hole is approximately 55 metres down dip from SFRD0061 (announced on 8th October) and it increases the known mineralisation on the 650 line to over 250 metres of dip extent so far and further confirms the continuity of the thick mineralisation seen on the adjacent 600N and 700N lines (*see Figure 1*).

Drilling - 700N line

On the 700N line hole SFRD0076, drilled 60 metres down dip from SFRD0066 and near to the lower edge of the EM conductor, intersected a 23.9 metre thick zone of largely disseminated and stringer sulphides from 340.8 metres, which includes 3.5 metres of mainly massive sulphides from 346 metres (*see Figure 1*). This mineralisation was intersected earlier (higher) than expected and may have been offset from the main zone. Drilling on this line now defines mineralisation over a dip extent of approximately 300 metres.

Drilling will now test the upper part of the EM conductor which has not yet been drilled and which is located up dip from the mineralisation previously intersected in hole SFRD0042.

Next at Nova

Drilling to date has only tested the southern 500 metres of the 1,200 metre long Nova EM anomaly. Diamond drilling is ongoing, with rigs currently on the 650N, 700N and 800N lines. Once these lines have been completed, two rigs will commence additional 100 metre stepout lines on 900N and 1000N whilst one rig will commence the 750N infill line.

Conductor 4 (Nova West)

At conductor 4 (Nova West), the first reverse circulation (RC) hole, SFRC0068, was abandoned before target depth due to drilling conditions and the following two holes, SFRC0069 and SFRC0071, drilled at the extreme range of their effectiveness, did not intersect any sulphides to explain the source of the conductor. Downhole electromagnetic (DHEM) surveying will commence early next week to pin down the exact position of this conductor. Future drilling will be diamond drilling and to this end, a fourth diamond rig is scheduled to arrive on site shortly.

The Eye and beyond

Induced polarisation (IP) geophysical surveying of the Eye has been completed and results are expected shortly. Exploration of other regional targets is also continuing.

A handwritten signature in black ink, appearing to read "Mark Bennett".

Mark Bennett, Managing Director and CEO

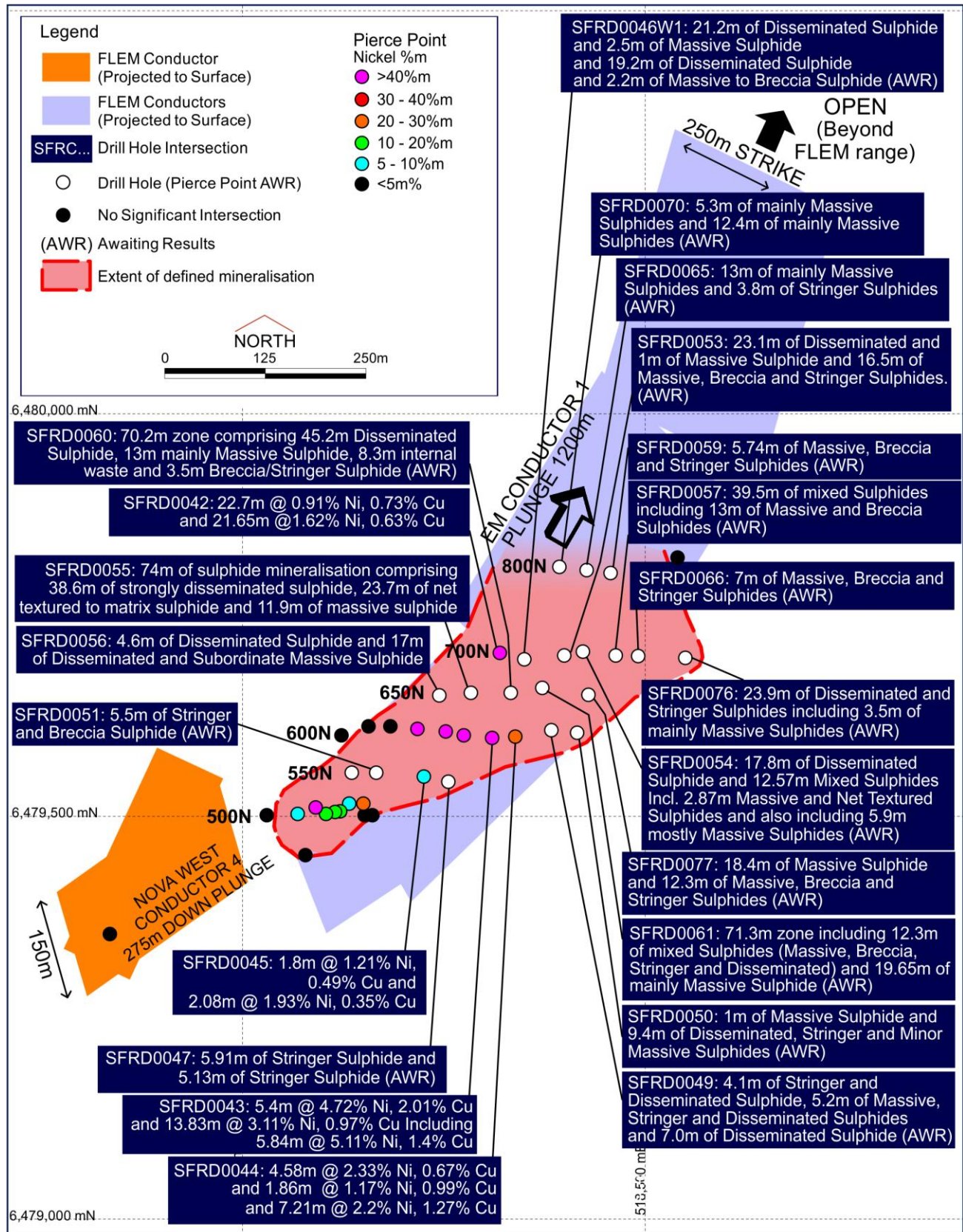


Figure 1. Plan projection of Nova showing location of EM conductors and drilling to date. Assayed intercepts are shown as metal factor (ie, estimated true width x grade, commonly referred to as %metre, %m or metal factor). Visual intercepts (awaiting assays) are shown as descriptive labels. Refer to Table 1 and previous announcements for specific details of assayed intersections.

About the Nova nickel discovery

- The Nova deposit is a blind (ie concealed by transported sediments) virgin discovery which vindicates Sirius' exploration methodologies and corporate strategy of identifying high leverage greenfields opportunities in stable jurisdictions.
- It was discovered by Sirius' target identification expertise and systematic use of geological, geophysical and geochemical exploration techniques.
- Drilling to date on the southernmost 500 metre portion of a large (1,200 x 300 metre) EM conductor has delineated a large nickel-copper sulphide deposit closely associated with the conductor. If the close association seen to date holds true for the remainder of the EM conductor, the Nova deposit could become a very large massive nickel-copper sulphide deposit.
- The EM conductor that represents the Nova deposit is the first of four EM targets at the Eye nickel-copper prospect to be tested. The others have not yet been drilled but modelling by Newexco Geophysical Consultants indicates that these also possess response characteristics indicative of massive sulphides.
- The mineralisation comprises pyrrhotite, pentlandite and chalcopyrite within very strongly metamorphosed rocks termed granulites. The sulphide minerals are coarse grained and high tenor and will likely produce a clean high value concentrate and the accompanying silicate minerals are likely to be highly amenable to conventional separation techniques.
- The sulphides occur in a variety of styles typical of magmatic sulphide deposits. These include massive, matrix, net textured, breccia, blebby and disseminated sulphides.
- The host rock is an hypersthene-augite-garnet-hornblende-labradorite-quartz gneiss interpreted to represent a strongly metamorphosed mafic-ultramafic precursor of predominantly gabbroic composition.
- The deposit is only 40km north of the Eyre Highway and closer, via sealed road, to the port of Esperance than any operating nickel sulphide mine/concentrator in Western Australia.
- Planned metallurgical testwork will better quantify the mineralisation in terms of its crushing, grinding and flotation characteristics, the deportment of nickel and copper within the sulphides and the level (if any) of any deleterious or penalty elements in such a concentrate.

About the Fraser Range Joint Venture

The Fraser Range Joint Venture is a joint venture between Sirius Resources (70%) and companies of the Creasy Group (30%), owned by Mark Creasy who is also Sirius' major shareholder through his investment company, Yandal Holdings Pty Ltd.

The joint venture ground covers over 100 strike kilometres of the prospective belt and Sirius, together with various private companies owned by Mark Creasy, control the majority of this new nickel province. Sirius acknowledges the assistance provided by the WA Government co-funded drilling program, which sponsored a previous reconnaissance drill hole on the project area (see previous ASX announcements).

Hole No.	North	East	Dip	Azim	From, m	To, m	Width m	Grade, %
SFRC0024	6479500	518210	60	270	174	175	1	0.76% Ni, 1.36% Cu, 0.03% Co, 4.0g/t Ag, 23ppb Au, 25ppb Pd, 6ppb Pt
And					178	181	3	0.31% Ni, 0.68% Cu, 0.01% Co, 1.4g/t Ag, 21ppb Au, 20ppb Pd, 10ppb Pt
And					191	195	4	4.02% Ni, 1.41% Cu, 0.12% Co, 2.2g/t Ag, 44ppb Au, 68ppb Pd, 32ppb Pt
SFRC0025	6479500	518080	60	270	-	-	-	Missed target
SFRC0026	6479500	518140	60	270	123	136	13	4.30% Ni, 1.83% Cu, 0.12% Co, 3.1g/t Ag, 36ppb Au, 90ppb Pd, 76ppb Pt
Including					128	136	8	5.81% Ni, 2.26% Cu, 0.16% Co, 3.7g/t Ag, 39ppb Au, 0.12g/t Pd, 0.12g/t Pt
SFRC0027	6479500	518250	60	270	229	238	9	1.48% Ni, 0.86% Cu, 0.05% Co, 2.5g/t Ag, 0.15g/t Au
Including					229	232	3	1.45% Cu, 0.4% Ni, 4.9g/t Ag, 0.34g/t Au
And					232	238	6	1.84% Ni, 0.57% Cu
Including					236	237	1	4.70% Ni, 0.40% Cu, 0.12% Co
SFRC0028	6479450	518140	60	270	116	120	4	0.48% Ni, 0.38% Cu, 0.02% Co, 0.09g/t Ag
And					156	164	8	0.25% Ni, 0.22% Cu, 1.5g/t Ag
SFRC0029	6479600	518300	60	270	234	236	2	0.96% Ni, 0.46% Cu, 1.3g/t Ag
SFRC0030	6479600	518250	60	270	188	196	8	0.41% Ni, 0.40% Cu, 0.02% Co, 1.78g/t Ag
SFRC0031	6479600	518200	60	270	-	-	-	Missed target
SFRC0032	6479500	518085	75	270	60	64	4	1.47% Ni, 0.17% Cu, 0.05% Co, 0.25g/t Ag
and					80	82	2	2.11% Ni, 1.12% Cu, 0.07% Co, 4.25g/t Ag
SFRC0033	6479500	518155	75	270	165	171	6	3.16% Ni, 0.49% Cu, 0.10% Co, 1.12g/t Ag
SFRC0034	6479500	518230	60	270	200	204	4	0.22% Ni, 1.07% Cu, 0.01% Co, 2.8g/t Ag
And					212	219	7	1.27% Ni, 0.35% Cu, 0.04% Co, 0.84g/t Ag
Including					216	219	3	2.63% Ni, 0.45% Cu, 0.08% Co, 1.13g/t Ag
And					220	224	4	0.18% Ni, 0.47% Cu, 1.1g/t Ag
SFRD0035	6479500	518155	70	270	146.70	152.90	6.20	1.68% Ni, 0.36% Cu, 0.05% Co, 0.3g/t Ag
Including					149.20	152.90	2.90	2.52% Ni, 0.44% Cu, 0.08% Co, 0.5g/t Ag
SFRC0036	6479800	518500	90	n/a	n/a	n/a	n/a	abandoned
SFRD0037	6479600	518300	60	270	263.90	268.40	4.50	0.23% Ni, 1.16% Cu, 0.01% Co, 3.9g/t Ag
and					268.40	281.70	13.30	3.9% Ni, 2.0% Cu, 0.12% Co, 3.7g/t Ag
Including					271.90	279.00	7.10	5.1% Ni, 2.36% Cu, 0.15% Co, 4.0g/t Ag
SFRD0037	6479600	518300	60	270	263.90	268.40	4.50	0.23% Ni, 1.16% Cu, 0.01% Co, 3.9g/t Ag
SFRD0038	6479500	518300	70	270	285.4	286.1	0.7	2.85% Ni, 0.33% Cu, 0.08% Co
SFRD0039	6479600	518350	69	270	270.0	271.0	1.0	1.71% Ni, 0.51% Cu, 0.06% Co
And					272.97	273.24	0.27	6.58% Ni, 0.98% Cu, 0.21% Co
And					298.1	313.52	15.42	2.74% Ni, 1.09% Cu, 0.09% Co
Including					298.1	301.7	3.6	4.83% Ni, 1.73% Cu, 0.15% Co
And					311.3	313.5	2.2	5.92% Ni, 0.82% Cu, 0.19% Co
SFRD0041	6479600	518350	76	270	293.4	329.0	35.6	3.47% Ni, 1.44% Cu, 0.10% Co
Including					293.4	308.9	15.5	4.72% Ni, 1.98% Cu, 0.15% Co
Including					302.17	308.9	6.73	6.11% Ni, 2.14% Cu, 0.19% Co
And					321.66	326.68	5.02	6.11% Ni, 2.57% Cu, 0.19% Co
Also					341.0	344.0	3.0	1.86% Ni, 1.26% Cu, 0.05% Co
And					349.6	250.5	0.9	6.15% Ni, 1.25% Cu, 0.19% Co
SFRD0042	6479700	518400	60	270	361.3	384.0	22.7	0.91% Ni, 0.73% Cu, 0.02% Co
and					392.0	413.65	21.65	1.5% Ni, 0.63% Cu, 0.05% Co
SFRD0043	6479600	518400	74	270	314.4	319.8	5.4	4.72% Ni, 2.01% Cu, 0.14% Co
and					330.74	344.57	13.83	3.11% Ni, 0.97% Cu, 0.10% Co
including					338.73	344.57	5.84	5.11% Ni, 1.4% Cu, 0.16% Co
SFRD0044	6479600	518400	80	270	327.8	332.38	4.58	2.33% Ni, 0.67% Cu, 0.07% Co
and					348.05	349.91	1.86	1.17% Ni, 0.99% Cu, 0.04% Co
and					356.0	363.21	7.21	2.2% Ni, 1.27% Cu, 0.07% Co
SFRD0045	6479550	518350	60	270	248.95	250.75	1.80	1.21% Ni, 0.49% Cu, 0.04% Co
and					255.11	257.19	2.08	1.93% Ni, 0.35% Cu, 0.07% Co

Table 1. Drill results at the Nova deposit based on assayed intersections. Visual estimates are not included here until assays are received.

Competent Persons statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Dr Mark Bennett, who is an employee of the company. Dr Bennett is a Member of the Australasian Institute of Mining and Metallurgy and a Fellow of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person 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. Dr Bennett consents 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 (AC) and rotary air blast (RAB) drilling samples are collected as composite samples of 4 or 2 metres and as 1 metre splits (stated in results). Mineralised intersections derived from composite samples are subsequently re-split to 1 metre samples to better define grade distribution. Core samples are taken as half NQ core or quarter HQ core and sampled to geological boundaries where appropriate. For soil samples, PGM and gold assays are based on an aqua regia digest with Inductively Coupled Plasma (ICP) finish and base metal assays may be based on aqua regia or four acid digest with inductively coupled plasma optical emission spectrometry (ICPOES) or atomic absorption spectrometry (AAS) finish. In the case of reconnaissance RAB, AC, RC or rock chip samples, PGM and gold assays are based on lead or nickel sulphide collection fire assay digests with an ICP finish, base metal assays are based on a four acid digest and inductively coupled plasma optical emission spectrometry (ICPOES) and atomic absorption spectrometry (AAS) finish, and where appropriate, oxide metal elements such as Fe, Ti and Cr are based on a lithium borate fusion digest and X-ray fluorescence (XRF) finish. For strongly mineralised RC or core samples, base metal assays are based on a high precision four acid digest and AAS finish, sulphur is analysed on a special purpose carbon sulphur analyser and precious metals are based on a fire assay digest and an ICPOES finish. Sample preparation and analysis is undertaken at Genalysis Intertek and Ultratrace laboratories in Perth, Western Australia.

The quality of RC drilling samples is optimised by the use of riffle and/or cone splitters, dust collectors, logging of various criteria designed to record sample size, recovery and contamination, and use of field duplicates to measure sample representivity. The quality of analytical results is monitored by the use of internal laboratory procedures together with certified standards, duplicates and blanks and statistical analysis where appropriate to ensure that results are representative and within acceptable ranges of accuracy and precision. Exploration results obtained by other companies and quoted by Sirius have not necessarily been obtained using the same methods or subjected to the same QAQC protocols. These results may not have been independently verified because original samples and/or data may no longer be available.

Where quoted, nickel-copper intersections are based on a minimum threshold grade of 0.5% Ni and/or Cu, gold intersections are based on a minimum gold threshold grade of 0.1g/t Au unless otherwise stated. Sulphide intersections are length and density weighted as per standard industry practice. Sample and drill hole co-ordinates are based on the GDA/MGA grid and datum unless otherwise stated.

