



ABN 49 119 057 457

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

EXPLORATION UPDATE – 15th January 2008

NEW URANIUM RESULTS FROM WYNBRING, S.A.

- **Equivalent U₃O₈ values up to 2m @ 250ppm (including 0.2m @ 410ppm) intersected in Wynbring palaeochannel at shallow depth**
- **Untested palaeochannel up to 1km wide and 9km long**
- **Of the 9km defined less than 1km has been tested with wide spaced drilling**
- **Excellent potential for higher grade and possibly economic concentrations of uranium in untested portions**
- **Follow up drilling planned**

Fission Energy Limited (ASX: "FIS") is pleased to report new drill results which highlight the uranium potential of the Company's Wynbring project, 100km WNW of Tarcoola in South Australia. The project, is located in an adjacent palaeochannel 15km to the northwest of Toro Energy Ltd's Warrior uranium deposit and has a similar catchment area.

Fission is encouraged by the confirmation and discovery of new palaeochannel uranium in the Company's first significant drilling program, and believes there is excellent potential for higher grade and possibly economic concentrations of uranium in the large untested portion of the palaeochannel.

The Wynbring palaeochannel was initially identified by uranium explorer PNC in the 1980's but has received no exploration since. Preliminary estimates of equivalent uranium values from down hole radiometric logging of Fission's 65 hole 3000m air core drilling programme carried out last month over the Wynbring palaeovalley have now been completed. All 65 drill holes successfully penetrated the Tertiary sequence and were terminated mostly in granitic basement of the Gawler Craton.

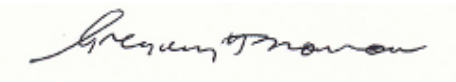
The recent drilling has delineated a portion of a meandering sandy fluvial palaeochannel up to 1km in width within the Wynbring palaeovalley which trends in a broadly north –south direction through the project area. Reduced Tertiary basal fluvial sands with strongly anomalous equivalent uranium contents (up to 2m @ 250ppm U₃O₈ (0.025%) in hole W057 from 50 to 52m) were intersected in the southern portion of the tenement overlying weathered granite basement. The anomalism is obviously redox related, occurring in reduced sands immediately below the oxidised zone and below the water table, overlying granite basement. Although poorly tested the upstream portion of the palaeochannel in the northern half of the tenement appears to be totally oxidised and less prospective, the uranium having most likely been mobilised further downstream.

A list of holes returning in excess of 100ppm (0.01%) equivalent U_3O_8 over a minimum width of 0.6m is shown in Table 1. To date less than 20 holes have intersected the main fluvial channel and only an 800m portion (three lines spaced 400m apart) has been tested at a closer drill spacing of 400 by 200m (refer Figures 1 & 2). The attached drill cross section (Figure 3) with eU_3O_8 down hole gamma logs clearly shows the strongly anomalous uranium content at the base of the palaeochannel. Drill chips from all of the radiometric anomalies have been sampled and sent to the laboratory for uranium analysis with results due late next month.

The latest drilling results have enhanced information from a previous EM survey, and it is now believed that a 9km portion of the channel with potential reduced uranium enriched basal sands remains essentially untested in the southern portion of the tenement (Figure 1) apart from several old holes drilled by PNC Exploration in the 1980's. These also displayed anomalous gamma logs in reduced sands below the weathering (redox) interface.

Drilling indicates that uranium anomalism is persistent over a 3 to 6 metre thickness of the reduced sands at the base of the palaeochannel. Follow up drilling, planned for the next quarter, will determine if this anomalism is due to leakage from higher grade roll-front style uranium mineralisation further along the channel, or is a modified style of roll-front / surface weathering (redox) related mineralisation.

As they are generally coarse grained and unconsolidated (and hence likely to be quite permeable) the basal uranium enriched palaeochannel sands at Wynbring would appear to be amenable to in situ uranium leaching as used at the Beverley deposit.



Greg H. Solomon
Executive Chairman

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 by Michael J. Glasson, who is a members of the Australian Institute of Geoscientists, and who has more than five years experience in the field of activity being reported on. Mr Glasson is an employee of the company and has sufficient experience which is relevant to the style of mineralisation and type of deposit 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'. Mr Glasson consents to the inclusion in the report of the matters based on this 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.

Table 1: Equivalent Uranium (eU₃O₈*) Drilling Results
 (based on 100ppm cut off and minimum downhole thickness of 0.6m)

Hole No.	East	North	Hole Depth m	From m	To m	Interval m	eU ₃ O ₈ ppm
W006	379048	6634001	53	43.6	44.6	1.0	109
W007	378842	6634004	63	43.6	44.6	1.0	120
				45.2	46.4	1.2	131
W008	378736	6634011	54	43.2	44.8	1.6	117
				45.8	47.6	1.8	135
W034	379545	6635010	66	26	26.8	0.8	196
W042	379598	6640165	51	45.6	46.4	0.8	123
W056	379067	6634395	60	47.2	50.4	3.2	136
W057	379264	6634393	60	46.0	52.0	6.0	175
			includes	48.0	50.0	2.0	250
			includes	49.0	49.2	0.2	410
W058	379452	6634410	53	31.4	32.2	0.8	147
				42.6	44.4	1.8	220
				45.2	46.0	0.8	123
W059	379482	6634871	54	33.8	34.4	0.6	123
W059				43.4	44.2	0.8	192
W060	379271	6634873	60	48.4	51.4	3.0	125

* Equivalent uranium values were estimated from down hole gamma logging assuming all of the gamma radiation measured is due to uranium and that uranium and its daughter products are in equilibrium. Generally only background values were detected in the oxidised fluvial sands, therefore the high count rates measured in the stratigraphically equivalent reduced portions are believed to be due solely to uranium rather than a thorium bearing heavy mineral component as heavy minerals are unlikely to be affected by oxidation. The state of equilibrium of the palaeochannel uranium is currently unknown.

The preliminary eU₃O₈ estimates have been carried out by an independent technical consultant and are based on calibration of Fission's downhole logging equipment by PIRSA geophysicists at their test pits in Adelaide.

All holes were vertical and logged through the drill rods and appropriate corrections have been applied for hole diameter and attenuation of the gamma count rate due to drill rods and ground water.

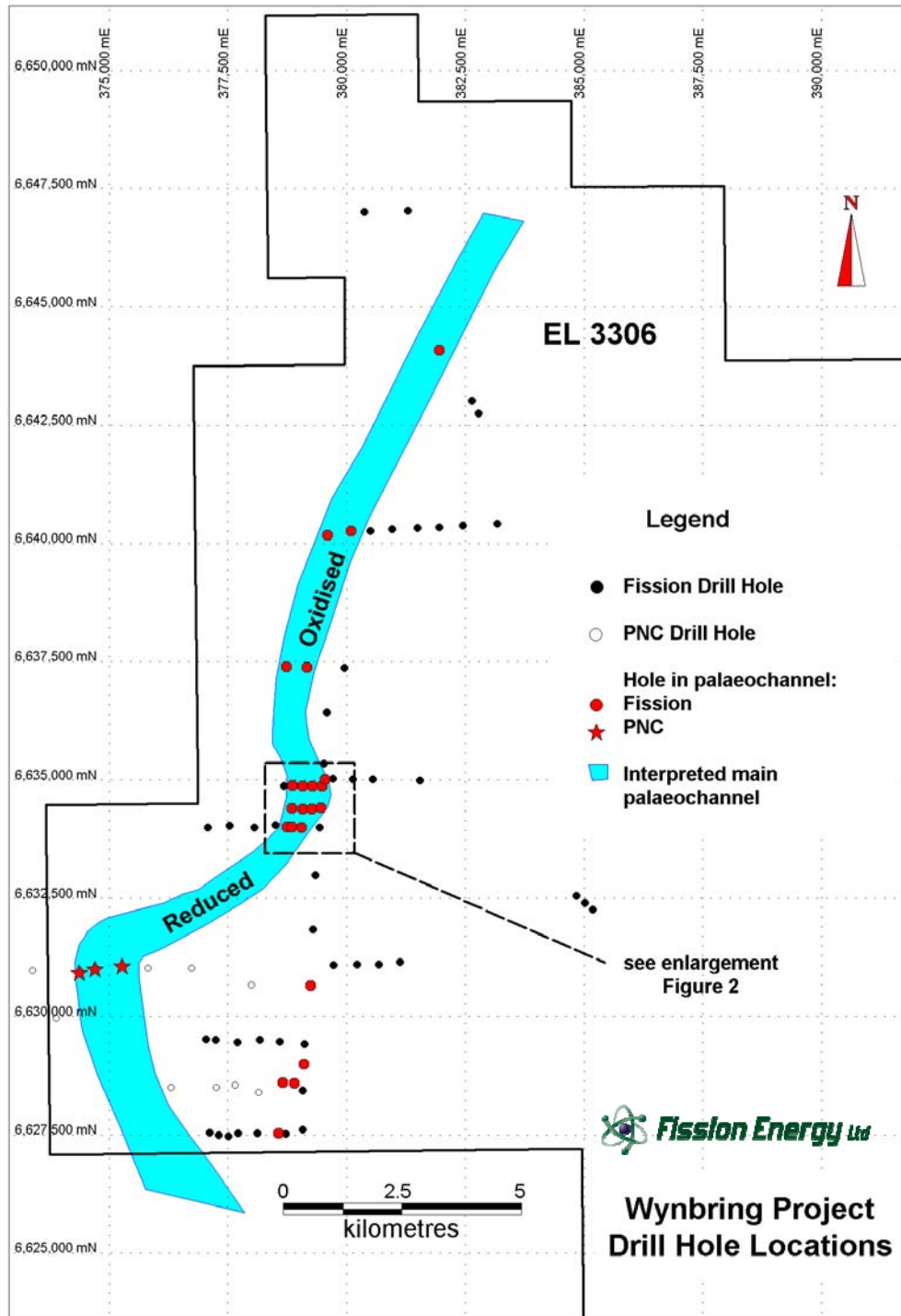


Figure 1: Drill Hole Locations and Interpreted Fluvial Channel Location

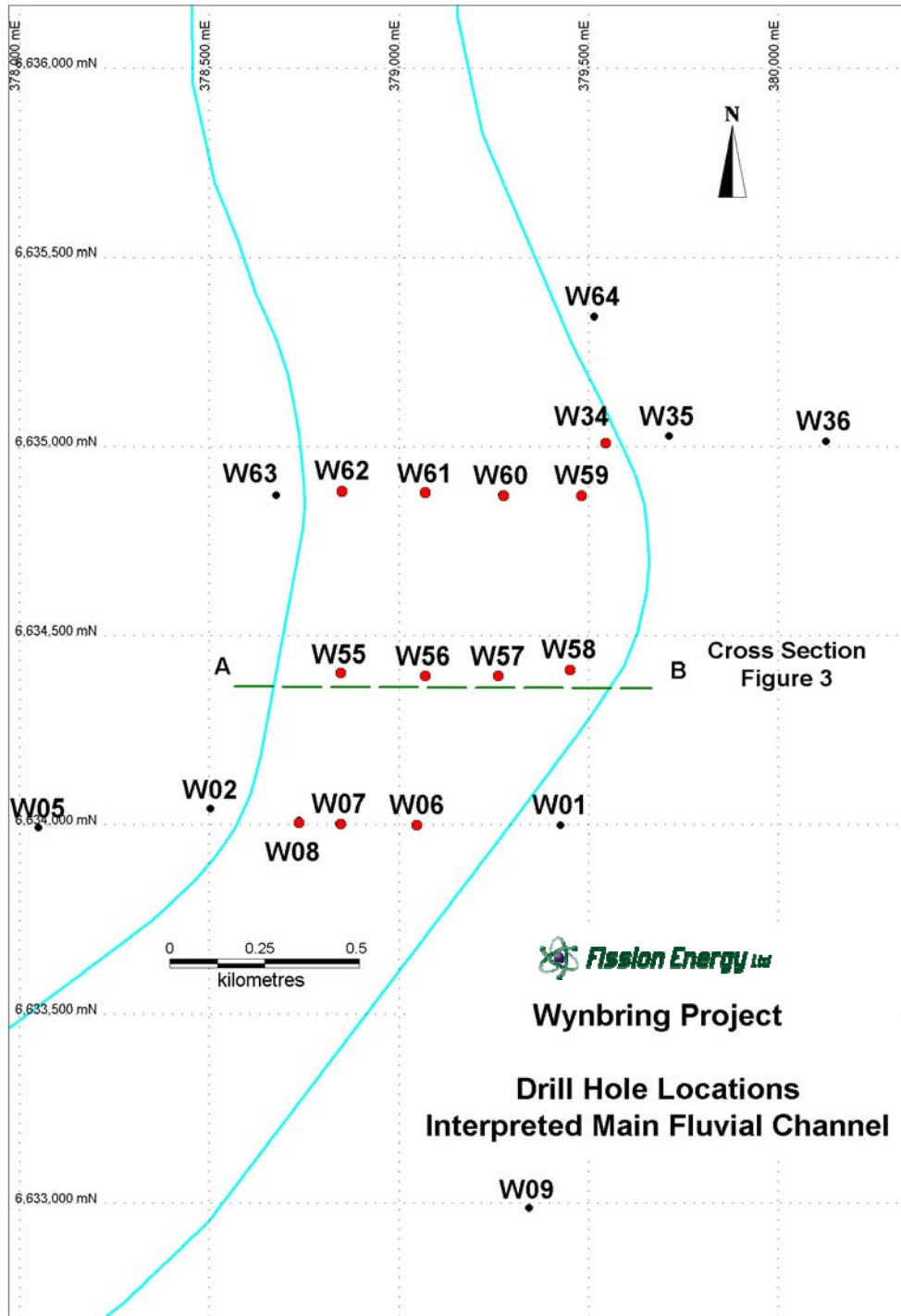


Figure 2: Drill Hole Locations Enlargement

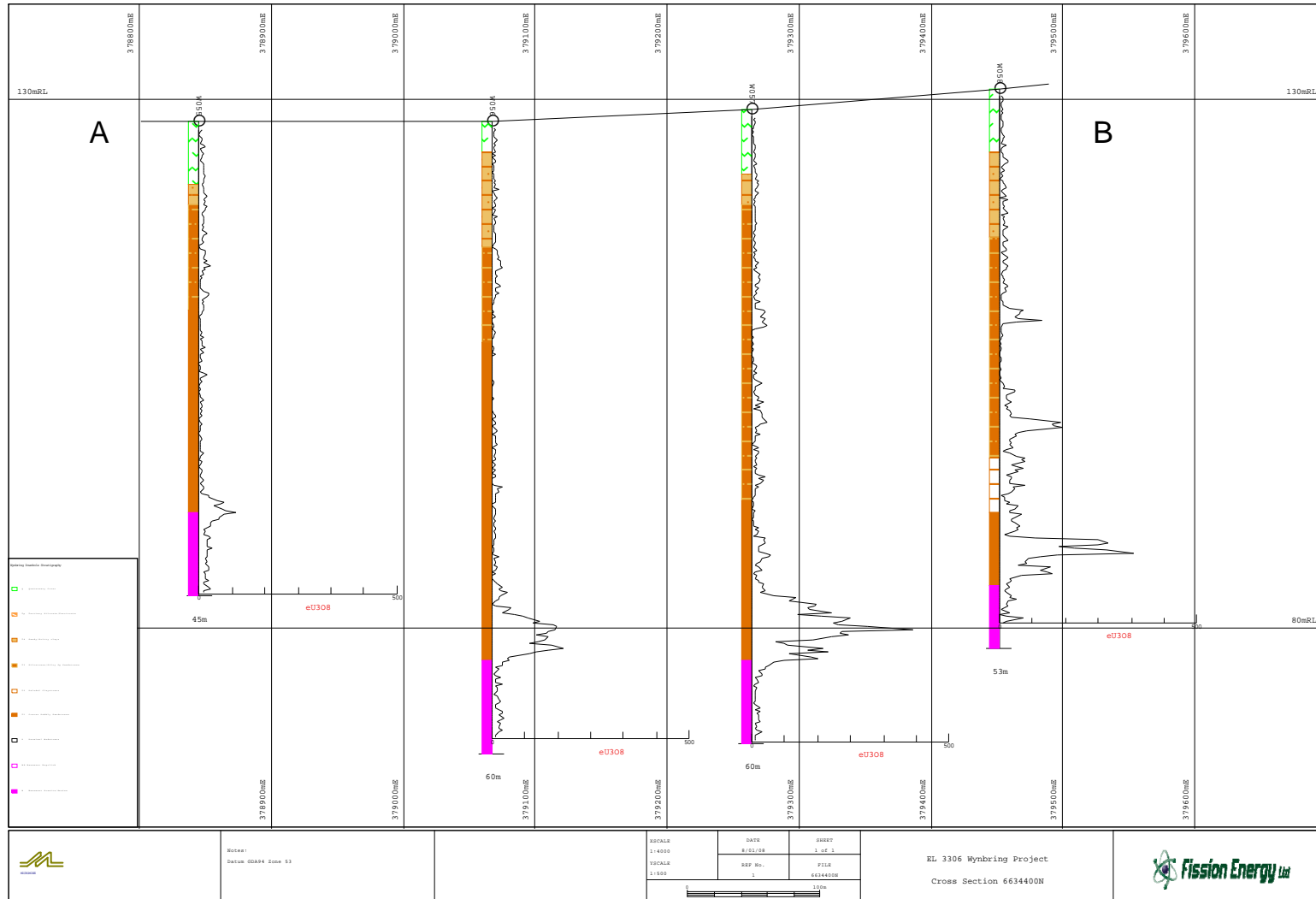


Figure 3: Cross Section A-B, 6634400N through palaeochannel (refer location Figure 2) showing eU₃O₈ trace on RH side of Fission drill holes (full scale bar = 500ppm eU₃O₈. Purple = basement, solid brown = basal fluvial sand).