

DATE | 1 July 2008

REF# | Update: Mt Elvire Iron Ore Project, WA

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The Scimitar Resources Limited (ASX:SIM) Mt Elvire Project, 210 km north of Southern Cross, comprises one exploration licence EL77/1269 covering 120 km². The project is located in the northern parts of the Mount Elvire Greenstone Belt, to the north of the Evanston Shear Zone. This thin, north trending belt, part of the Archaean Yilgarn Craton, is prospective for iron ore.

At present iron-ore exploration dominates the region with significant mining and exploration of deposits. The large deposits being mined by Portman Mining Ltd in the Mt Jackson (50.2Mt @ 60.6% Fe) and Windarling (52.7Mt @ 63.5% Fe) areas are located ~50km southwest of the Mt Elvire Project area. These areas comprise 9 individual deposits with reserves varying from 900,000t up to 36.6Mt, and deposit sizes of 400-2,000m in strike length.

Iron deposits of the region are of the Archaean aged Algoma-type. Algoma-type Banded Iron Formations (BIFs) are finely layered intercalations of silica and an iron mineral, generally hematite or magnetite. But the individual layers lack the lateral continuity of Lake Superior-type BIFs, like those of the Hamersley Ranges. Algoma-type BIFs are found within rock sequences containing a significant proportion of submarine volcanic rocks.

Preliminary investigations by Scimitar indicate that the Mt Elvire Project has the potential to host iron ore mineralisation associated with strongly deformed BIFs. Initial results from rock chip sampling indicate that high grade iron ore with low sulphur and phosphorous occur within the project area.

Field investigations to date have indicated that strongly deformed and folded BIF ridges occur within the tenement area. The strongly deformed structural nature of these beds improves their prospectivity due to the fold hinges creating space and locus for secondary enrichment. Outcrops in the order of 400m strike length of contiguous folded Banded Irons were observed at several locations.

Fast Facts

Listed ASX Jan 2005
Shares: 50.1 million
Options: 9.7 million
Market Cap @ 35c
A\$17.3 million
ASX Code: SIM

Management

Terry Topping	Managing Director
Kent Hunter	Director
Andrew McBain	Director
Raj Logaraj	Director

Major Shareholders

Management	18.5%
Mega Uranium Ltd	4.5%
National Nom Ltd	4.0%
ANZ Nom Ltd	3.1%

Head Office

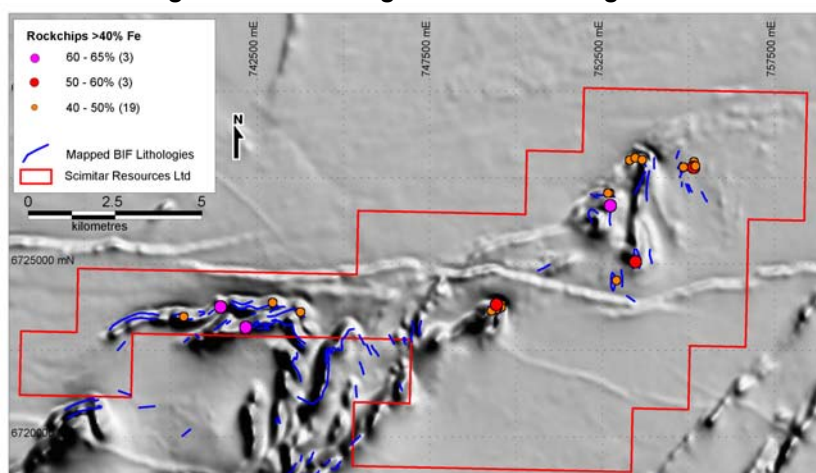
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Corporate Advisors

Terrain Capital

Fig 1. BIF Lithologies over Aeromagnetics



88 Rockchip samples in total have been collected with results <40% Fe listed below:

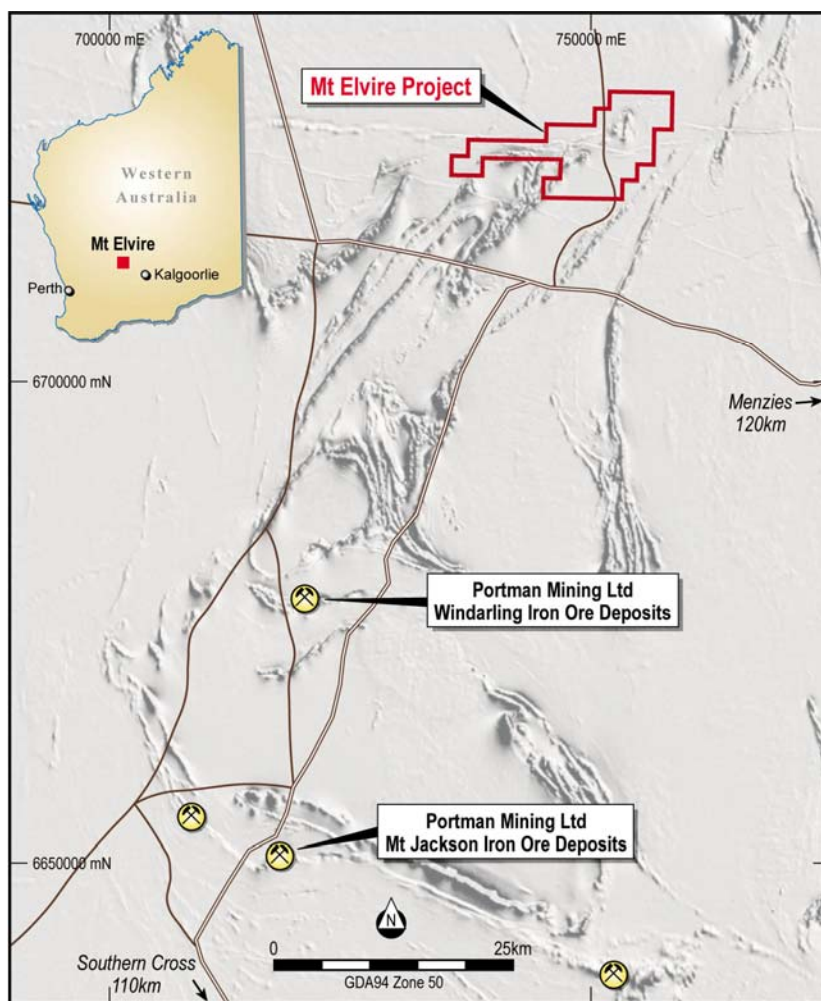
Sample No	Fe%	SiO2%	Al2O3%	P%	S%	LOI%
EVG001	40.8	35.2	0.75	0.09	0.03	4.4
EVG002	40.7	36.9	0.48	0.17	0.01	3.1
EVG003	41.8	35.3	0.44	0.05	0.04	4.0
EVG005	47.9	28.3	0.30	0.18	0.02	2.8
EVG006	41.9	36.9	0.48	0.06	0.00	0.3
EVG007	40.0	40.7	0.27	0.04	0.01	0.9
EVG009	42.3	36.1	0.41	0.12	0.02	2.6
EVG010	54.5	18.7	0.26	0.15	0.02	3.9
EVG011	44.9	17.4	9.95	0.02	0.04	7.5
EVG013	52.5	13.9	1.11	0.33	0.02	9.4
EVG014	41.3	31.4	0.83	0.06	0.06	7.7
EVG024	60.8	4.2	0.89	0.04	0.15	7.6
EVG025	44.3	31.5	0.25	0.05	0.04	4.4
EVG026	40.6	39.3	0.16	0.05	0.01	1.4
EVG038	41.1	39.7	0.27	0.06	0.00	0.9
EVG044	48.4	28.2	0.44	0.04	0.02	1.9
EVG046	40.1	37.0	0.23	0.07	0.00	0.0
EVG054	63.3	1.7	0.65	0.05	0.04	6.5
EVG061	40.1	40.0	0.16	0.02	0.01	2.4
EVG066	45.2	33.4	0.15	0.07	0.02	1.6
EVG072	42.1	38.6	0.12	0.05	0.01	0.7
EVG078	62.0	4.1	1.41	0.09	0.06	5.2
EVG080	51.9	19.3	0.36	0.15	0.02	5.7
EVG086	43.8	26.8	0.56	0.15	0.02	7.5
EVG087	41.5	32.7	1.36	0.04	0.17	5.0



Typical BIF Outcrop observed



Mt Elvire Project, WA



Location Map

Yours faithfully

Terry Topping
Managing Director

About Scimitar Resources Limited (SIM)

Scimitar Resources is a leading Australian uranium explorer. The company has an experienced board of directors and management team with proven successes in the resources sector.

Scimitar controls over 20,000 km² of uranium prospective tenements across NT, SA and WA allowing geological and political diversification. The 100% owned projects are among the largest uranium portfolios in historically some of the most uranium prospective areas in Australia.

The information in this report to which this statement is attached relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Terry Topping, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Topping is a full-time employee of the Company. Mr Topping has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity they are 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 Topping consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.