



10 January, 2007

Companies Announcements Office,
Australian Stock Exchange Ltd,
Sydney

MT ISA URANIUM PERMITS GRANTED

Paradigm Gold Ltd is pleased to announce that **two of its exploration permits prospective for uranium have been granted** in the Cloncurry district of the Mt Isa region. The exploration permits (EPM 15906 and 15931) are located 40km east of Cloncurry and consist of a combined 115 square kilometres (Figure 1). The tenements were staked because of prominent radiometric anomalies covering the Mesozoic Toolebuc limestone in the area. The permits were granted relatively quickly because they occur over land largely exclusive of native title.

We have previously reported that ERA in 1978 collected around 100 samples from outcropping Toolebuc limestone in the general area, and that many of their samples were strongly anomalous in uranium and/or molybdenum. Limited ERA samples collected from within the two granted permits were anomalous in these metals, up to a maximum of 90ppm U and 100ppm Mo.

Paradigm will now conduct a more detailed sampling program of Toolebuc limestone within the granted permits as soon as possible.

The Company also advises that it has **executed a Native Title Agreement** with the Mitakoodi People, traditional owners of the region covering the Cloncurry exploration permit application EPM 15325. Signing of the Native Title Agreement will fast-track the granting of this permit and other more recent applications (eg EPM 16073), which are subject to native title following the Expedited Procedure. These applications are believed to cover similar Mesozoic geology.

DRILLING CONTRACT FOR WHITE ROCK TUNGSTEN NSW

Paradigm has secured a contract to complete an initial phase of air-core drilling at the White Rock tungsten project near Rye Park 100km south of Orange, central NSW, **with drilling to commence in early February.**

The Company has recently exercised an option to purchase two exploration licences (EL 6274 & 6590) prospective for tungsten and other metals. A JORC Mineral Resource of 150,000 tonnes grading 0.9% WO₃ (indicated and inferred) has been calculated at White Rock, where mineralisation remains open. Paradigm is targeting a deposit of at least 1 million tonnes grading 1% WO₃ which the Company believes could generate strong future cash flows.

Tungsten mineralisation at the White Rock Resource occurs in the form of scheelite associated with magnetic 'skarn' bodies on the margin of a granite. Geological mapping of other anomalies within a 5km radius of the Resource has confirmed other skarn prospects (**see magnetic image showing targets, Figure 2**). Magnetite is intimately associated with scheelite at the White Rock Resource, and can be accurately detected by using cost-effective detailed ground magnetic surveys. Paradigm has continued to acquire ground magnetic data to better characterize the airborne anomalies. Ground magnetic surveys and rock chip sampling will continue prior to the drilling.

To reach the 1 million tonne target deposit, the Company needs to prove sufficient additional tungsten mineralisation occurs at one or more of the other geophysical anomalies. The upcoming drill program, which will test some of high-order magnetic 'peaks', should go some way towards testing the potential of the area. Sampling of surface material is too limited yet to determine whether all the skarns contain significant scheelite. Needless to say, similar intensity magnetic anomalies along strike of the White Rock Resource are considered highly favourable exploration targets.

More details on these and other projects can be found on the Company's website: www.paradigmgold.com.au

Please contact the Managing Director, Graham Carman, at Paradigm's office with any enquiries.

The information in this report that relates to Exploration Result is based on information compiled by Dr Graham Carman who is a Member of the Australasian Institute of Mining and Metallurgy. Dr Carman is a full-time 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'. Dr Carman consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Figure 1. Tenement map showing Paradigm exploration permits east of Cloncurry, Mt Isa region.

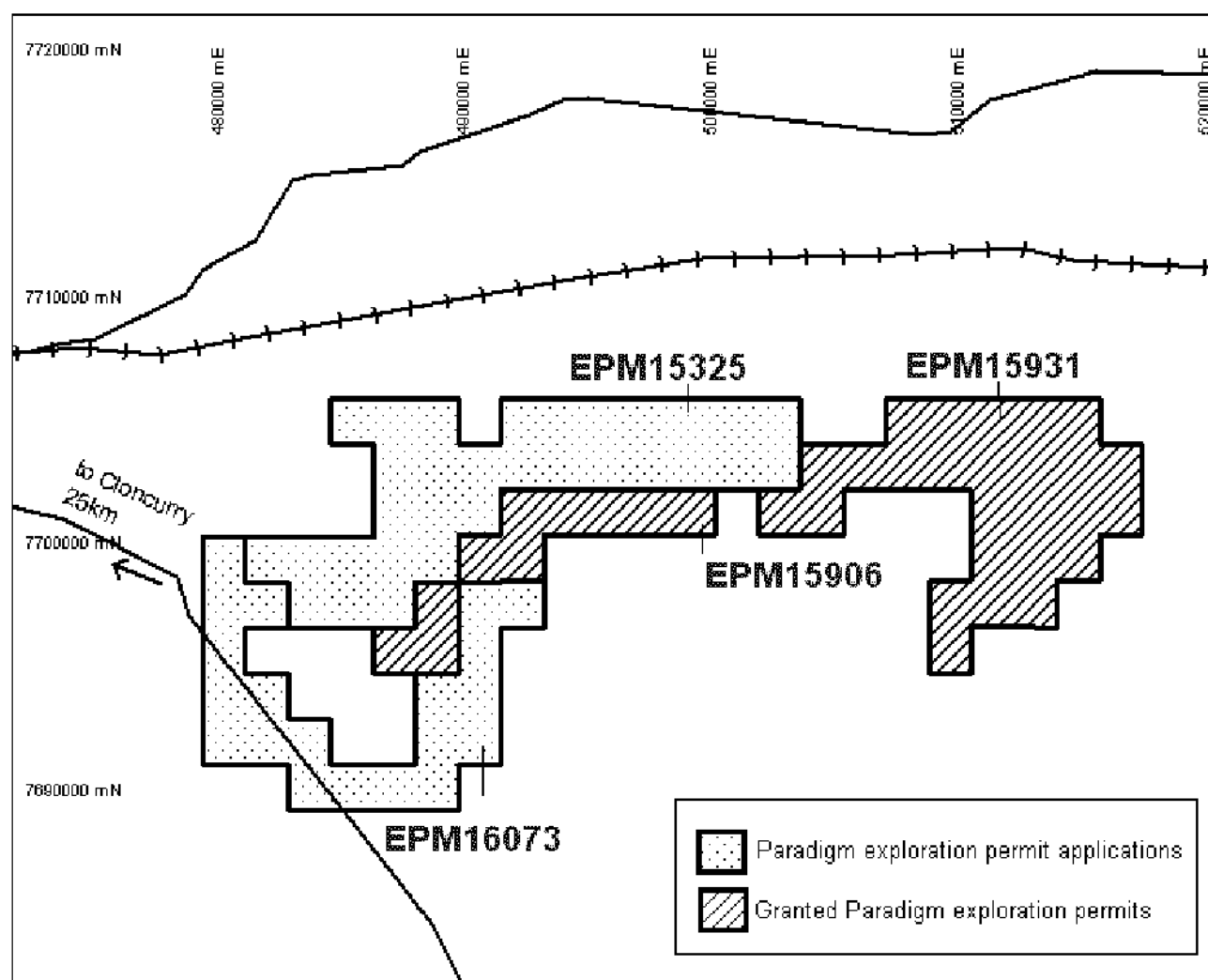
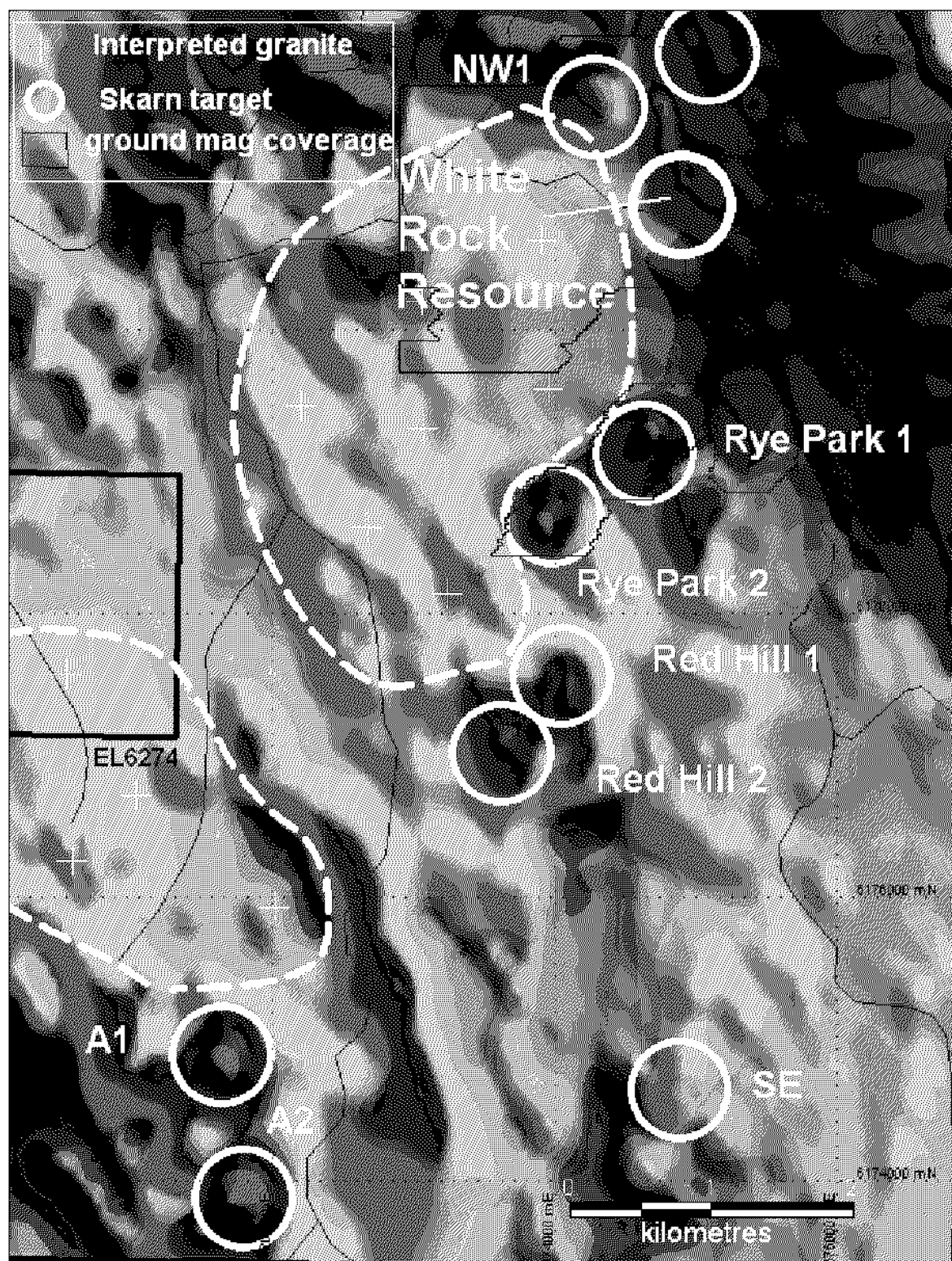


Figure 2. Airborne magnetic image of the White Rock tungsten project, Rye Park NSW.



Map shows prospects with known magnetite skarn mineralisation (circled). Only the White Rock Resource anomaly has been drilled to any significant degree to date (holes not shown to avoid clutter).