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# Monaro Secures Exposure to Prospective Uranium Licences in Australia

## Highlights

- **Binding Heads of Agreement signed with Hapsburg Exploration Pty Ltd**
- **Earning up to 75% interest on completion of feasibility studies**
- **Targeting unconformity (Narbalek, Ranger, Kintyre) and IOCG (Olympic Dam) styles of uranium deposits**
- **Nine licence applications in Western Australia, the Northern Territory and Queensland, covering over 3,700 km$^2$**
- **Experienced geological team with track record of discovering uranium orebodies**

### 1. Binding Heads of Agreement – Key Terms

The Directors of Monaro Mining NL ("the Company") ("MRO") are pleased to announce that they have signed a binding Heads of Agreement ("HoA") with Hapsburg Exploration Pty Ltd ("Hapsburg") covering nine exploration licence applications in Western Australia, the Northern Territory and Queensland. The key acquisition terms of the HOA are as follows;

1. Cash payment of $100,000; $10,000 is payable as a non-refundable deposit on signing of the HoA, and the balance of $90,0000 is payable upon the granting of at least four of the exploration licences.
2. Upon the granting of the licences there will be the following payments by way of issuance of shares and options in Monaro;
    a. Payment of $100,000 worth of shares
    b. Payment of 500,000 options exercisable at $1.20, with an expiry date four years henceforth.
3. In the event that less than nine licences are granted there will be a proportional scaling back of the share and option consideration.

The HoA gives Monaro the right to earn the following interests in the licences;

1. 35% interest after the expenditure of $1.5m,
2. 51% upon the determination of an inferred resource of 5,000 t of contained uranium ($U_3O_8$),
3. 75% upon the completion of a feasibility study.

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## 2. Hapsburg Exploration Pty Ltd

Hapsburg is a private exploration company founded in May 2006 by experienced geologists with the specific strategy of identifying ground holdings prospective for economic gold and uranium mineralisation in Australia. The principle shareholders include;

- Mohan Varkey (MSc); Mr Varkey has 36 years of uranium gold exploration and mining experience. He was previously a senior exploration geologist for Urangesellschaft, CRA and Idemitsu. He is credited with the discovery of the Narbalek uranium deposit and was a member of the discovery teams responsible for the Cigar Lake uranium deposit in Canada and the Ernest Henry copper/gold deposit in Queensland.

- Lee Spencer (MSc); Mr Spencer has 30 years of experience in exploration and mining in the Asia Pacific region. He is currently a director of BDI Mining Corporation, an AIM listed company that is successfully mining diamonds in Kalimantan and considering the development of the one million ounce Woodlark Island gold deposit in PNG.

- David Bennett (BSc); Mr Bennett has 34 years of exploration and mining experience with companies that include Minatome, Mobil Energy Minerals and Urangesellschaft.

Monaro is pleased that it has secured access to the expertise of these gentlemen, particular as there is a chronic shortage of technical personnel with relevant uranium experience. The arrangement with Hapsburg gives Monaro exposure not only to the licences currently subject to the applications but also to the project generating aspect of the Hapsburg team.

Commenting on the acquisitions, Chairman Warwick Grigor said;
*"The addition of Australian-based uranium exploration projects to the Company's portfolio provides a sound balance to the more advanced projects located in the Kyrgyz Republic. Ultimate success will depend upon what we discover, but we have strong confidence in the selection process used to identify the ground as it was directed by experienced "mine-finding" geologists. Aggressive exploration will commence upon the granting of the licences with the targets being large orebodies with minium sizes of 25,000 tonnes of contained uranium."*

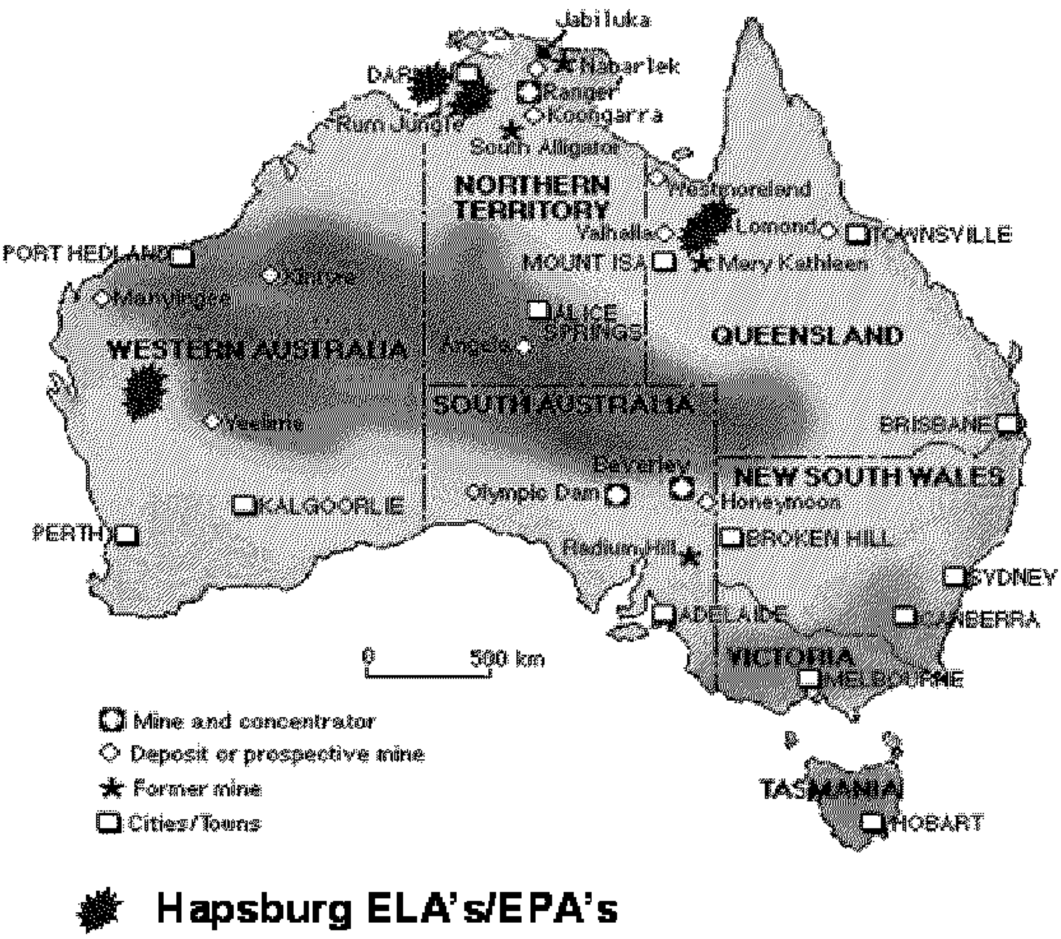


**Diagram 1. Generalised Location of Licence Applications**

Mart Rampe
Executive Director

***Competent Person***

*The review of exploration activities and results contained in this report is based on information compiled by **Mr Mart Rampe**, a Member of the Australasian Institute of Mining and Metallurgy.*
*He is a director of the Company and a full time employee of Harvest Exploration Pty Ltd. He has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code).*

***Further Information***

*For further information please contact Mart Rampe, Executive Director, on (02) 46479566 or Warwick Grigor, Chairman, on (02) 92470077.*