



PEGASUS METALS LIMITED

ASX/MEDIA RELEASE

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PEGASUS COMMISSIONS KIMBERLEY GEOPHYSICAL SURVEYS Regional magnetic / radiometric and gravity surveys in the Kimberley

- **Field work starts on East Kimberley Projects**
- **Contract let for airborne magnetic and radiometric survey over the McClintock Range and Sturt Palaeochannel Projects.**
- **Gravity survey over Giant Placer Project to identify potential uranium-bearing palaeochannels and trap structures for gold placer deposits.**

Pegasus Metals Limited (ASX:PUN) is pleased to announce that it has commenced field work on the East Kimberley uranium projects it acquired in April 2007.

A reconnaissance sampling program over the **Ruby Plains** tenement of the **Sturt Palaeochannel Project** (E80/3612), **McClintock Range Project** (E80/3250 and E80/3374), and the **Giant Placer Project** (E80/3616-3619) is being undertaken during July 2007. Areas of interest, including several radiometric anomalies showing on old data, will be examined and ground spectrometer readings taken. Of particular interest are the radiometric anomalies at Ruby Plains that overlie potential unconformity-related uranium mineralisation.

Pegasus has commissioned GPX Aeroscience to fly a magnetic and radiometric survey over the **McClintock Range** and **Sturt Paleochannel Projects** to infill the upcoming government survey data to 200m line spacing within Pegasus' project areas.

The results are expected to provide a significant improvement on the 1980's wide-spaced magnetic and radiometric data over the McClintock Range. Interpretation of the new data should allow for a better understanding of the geology of the project areas, leading to new targets for primary uranium mineralisation as well as palaeochannels which may host secondary uranium.

Pegasus has also engaged Daishsat Geodetic Surveyors to collect gravity data over the whole **Giant Placer Project area** and the **Ruby Plains** tenement of the **Sturt Palaeochannel Project**. The main objectives are to map potential uranium-bearing palaeochannel features as well as trap structures forming local targets for enhanced deposition of placer enrichment of detrital gold and uranium.

Both the airborne magnetic - radiometric and gravity surveys should commence during the September quarter, following the July field program.

The information in this report which relates to Exploration Results is based on information compiled by George Katchan, who is a Member of the Australasian Institute of Mining and Metallurgy. George Katchan is a full-time employee of Pegasus Metals Limited 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". George Katchan consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Pegasus Metals Limited is a uranium, gold and base metals explorer, based in Western Australia. Pegasus has a uranium exploration focus.

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