



## **ASX ANNOUNCEMENT**

25<sup>th</sup> March, 2008

### **Crocker Well Uranium Project Update**

The Crocker Well Uranium Deposit located in the Curnamona Province of South Australia is being jointly developed by Sinosteel Corporation (60%) and PepinNini Minerals (40%).

In accordance with its strategy to be in production in 2010 Sinosteel PepinNini Curnamona Management Pty Limited as manager of the Joint Venture Alliance has commenced drilling operations to verify and upgrade sufficient of the currently defined JORC compliant uranium resource from an Inferred category to an Indicated and Measured category to allow for a Definitive Feasibility Study to be completed for the development of the Crocker Well Uranium Deposit. A drilling rig has arrived onsite and a program of approximately 130 reverse circulation holes and 16 diamond holes has commenced. The resource verification drilling program is scheduled to be completed by the end of July, 2008. A field camp has been delivered and set up at the site about 1km south of the uranium deposits to facilitate the accommodation of the various consultants and contractors employed on the project. Environmental baseline studies including flora, fauna and radiation monitoring have commenced and hydrogeological and geotechnical investigations are being undertaken in conjunction with the drilling program.



***Crocker Well Field Camp, March 2008.***

Initial results of metallurgical tests of bulk samples of Crocker Well ore being undertaken by Amdel Laboratories and ANSTO have been received. The Heavy Liquid Separation (HLS) results are particularly encouraging and show a clear ability to beneficiate the Crocker Well uranium ore

based on specific gravity (SG). Preliminary tests indicate that 65% of the ore has an SG of less than 2.7. However, this fraction of the ore only holds 1.5% of the uranium. This suggests a HLS technique could be used to reject 65% of the ore prior to processing with only a 1.5% loss in uranium. In addition an increase in the uranium grade from 828ppm for the ore to 2,356ppm for the HLS concentrate was achieved. This has significant advantages to processing and plant costs in regard to plant size, amount of reagents used, recoveries and tailings dam size. Additional testing to determine optimum conditions and technique for beneficiation is currently underway.

Size distribution tests indicate that beneficiation could also be achieved via a simple crushing and sieving exercise. After a -2mm crush over 95% of the uranium will be retained in fractions that are less than 0.5mm. In fact, over 50% of the uranium will be retained in fractions that are sized between 0.25mm and 0.5mm.

Preliminary results also indicate that heating the leaching circuit could substantially improve process recoveries. Initial leach tests indicate leach recoveries of up to 93% can be achieved by heating the leachant. The current test work program will identify the optimal leach conditions. Higher leach recoveries will significantly improve the cost of processing as well as increase the amount of uranium recovered.



***Drill Rig at Crocker Well Uranium Deposit, March 2008.***

*The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Norman Kennedy BSc MAusIMM. Norman Kennedy is the Chairman and Managing Director of PepinNini Minerals Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration 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". Norman Kennedy consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

***For further information please contact:***

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**Note:** Additional information on PepinNini Minerals Limited can be found on the website:

[www.pepinnini.com.au](http://www.pepinnini.com.au)