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MEDIA RELEASE

Cost Of \$160m To Build Australia's Fifth Uranium Mine PepinNini's Crocker Well

An estimated capital cost of A\$160 million has been set as the cost of constructing what is likely to be Australia's fifth operating uranium mine – the Crocker Well project being developed in South Australia by PepinNini Minerals Limited.

Addressing the 2007 Paydirt Australian Uranium Conference in Adelaide today,

PepinNini's General Manager, Mr Phil Sutherland, said Crocker Well was now a highly advanced uranium project, and should be in production in three years time.

"The likely cost will be around A\$160 million and provide around 100 permanent jobs once the mine is commissioned," Mr Sutherland said.

"This seems like a big call but PepinNini is already favoured by having the Chinese Stated-owned SinoSteel Group as a 60% strategic partner and shareholder," he said.

Crocker Well covers just under 4,000 square kilometres over five licence areas just to the northwest of Olary near South Australia's border with NSW.

It would join existing or imminent producing uranium mines, Olympic Dam, Ranger, Beverley and Honeymoon.

In addition to the main Crocker Well ore body, which hosts an Inferred JORC compliant resource of 19.8 million pounds at a cutoff grade of 250 parts per million, an additional 10 prospects have been identified in the near vicinity. The inground resource has been valued on current prices in excess of \$2.1 billion.

A scoping study has been completed for the development of a 5.7 million tonnes per annum mine, with open-cut mining the most likely method.

Crocker Well's estimated mining costs are around A\$11.05 per pound.

Mr Sutherland told delegates Crocker Well had the potential to be in production in three years and potentially generating cash flow of A\$175 million per annum.

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