

IANNA GOLD PROJECT UPDATE

HIGHLIGHTS

- **Strong gold zones identified in soil anomalies at Stone Hill prospect**
- **Trenching underway to expose mineralised trends at Stone Hill prospect**
- **Site works in preparation for drilling Kings Ransom and Chow Wow prospects completed**

Uramet Minerals Limited (ASX: URM) is pleased to announce that it has identified an additional number of strong and reasonably coherent gold mineralised zones at its Ianna project in north western Guyana. The zones comprise gold-in-soil anomalies at the project's Stone Hill prospect on which Uramet collected 619 soil samples over an area of 2 square kilometres.

Values of +118ppb Au delineate the zones which include 41 values above 500ppb (0.5ppm) Au and 18 values above 1000ppb (1ppm) Au, with maximum values of 3.12 and 2.67 ppm Au. The contoured values define strong NW trends and these are interpreted to reflect structures which are parallel to regional geological trends.

The results are considered to be very encouraging, not only because of the strong values but because they also reflect and support similar anomalies in the same area delineated by Canarc Resources Corp. (Canarc), a previous explorer at Ianna in the 1990's. Importantly, the strong values shown in the interpreted structure located in the south west area of the sampled zone coincide with a reported drill intercept by Canarc of 119 metres at 0.62 Au g/t from surface, including 17 metres at 1.03 g/t and 9 metres at 1.65 g/t. Uramet has not verified the Canarc drilling results, nor has their geological significance been established, but the company plans to test the interpreted structures with reverse circulation (RC) drilling.

The southern and eastern parts of the planned soil grid were not sampled because of ground disturbance. However, previous work reported by Canarc in the 1990's indicates the interpreted mineralised structures continue to the southeast, and these zones will also be tested by RC drilling.

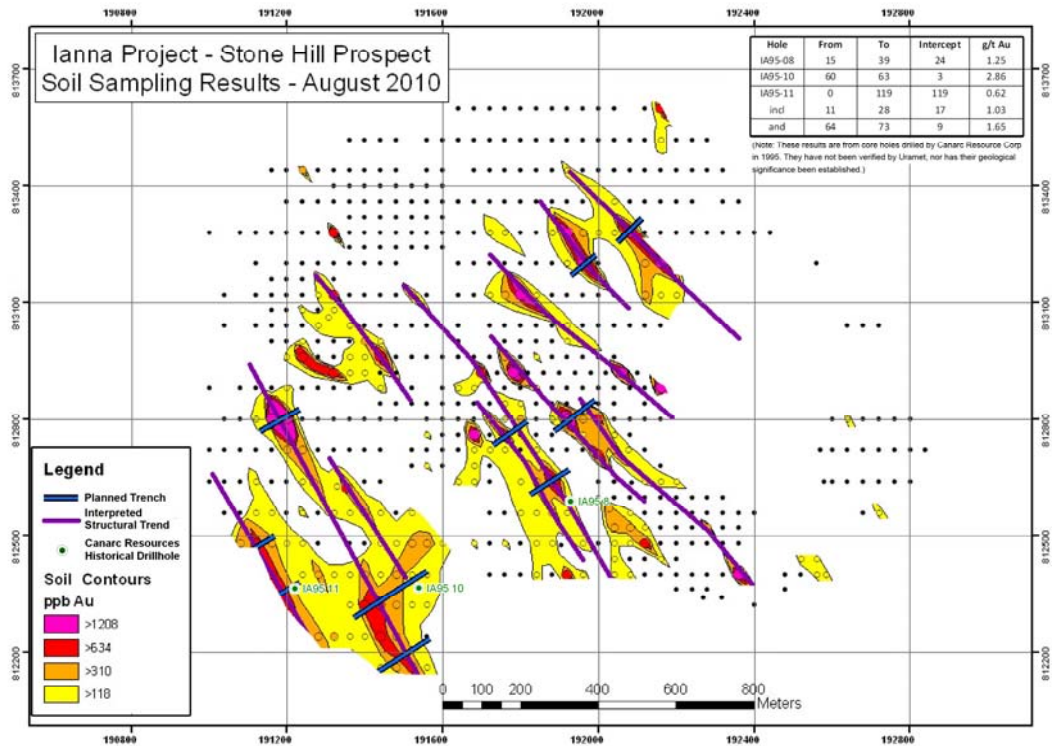
Trenching work is currently underway to expose the mineralised trends at the Stone Hill prospect. A total of 10 trenches for 1,200 metres will be channel sampled with laboratory assay results expected within 8-10 weeks.

"The geochemical results at the Stone Hill prospect adds support to our belief that the Ianna Gold Project has the potential to deliver a large tonnage gold resource" said Mr Sam Randazzo, Uramet's Executive Chairman. "This is reinforced by the large tonnage potential of exposed structures already identified at the Chow Wow and King Ransom prospects, which will all be drill tested within the next few months".

Preparation work for RC drilling at the Chow Wow and King Ransom prospects has been completed. These prospects are now ready to be tested by RC drilling.

Mr Randazzo also said "the Company's share purchase plan, scheduled to close on 17 September 2010, provides shareholders with the opportunity to purchase Uramet shares prior to the planned drilling programme".

Arrival of the RC drill rig to sample the Chow Wow, King Ransom and Stone Hill prospects has been delayed due to heavy rains that have cut the main highways. The drill rig was initially due to arrive on site in September following completion of drilling programme for another company. However, the revised start date for the 2,000 metres drilling programme at Chow Wow, King Ransom and Stone Hill prospects is now expected to be January 2011. The Company is however currently in negotiation with another drilling contractor to supply a track mounted RC rig which should be able to handle all weather and terrain conditions. This may also allow the drilling timetable to be brought forward.



Background

The Ianna Gold Project is located in the northwest of Guyana. Uramet currently holds a 50% joint venture interest with a call option, expiring on 30 April 2012, to increase to 75%. The Ianna Joint Venture currently comprises ten mining permits and three mining permit applications. In addition, the JV has secured rights to a number of pre-existing small claims that lie within the JV's mining permits and straddle key areas of interest. There has been minimal modern systematic exploration within these permit areas.

Uramet has already identified a number of drill ready targets, and planning is underway to undertake an initial drilling programme to determine the potential for large tonnage resources. Given the strike lengths, as indicated by historical artisanal mining, trenching and drilling by previous companies, the potential for the delineation of large tonnage gold resources is strongly indicated. Uramet intends to undertake RC drilling to test the mineralised zones identified at the Chow Wow, Kings Ransom and Stone Hill prospects. Subject to the results of this initial drilling programme, resource drilling will follow.

Sampling Methodology

Soil samples were collected at sample spacings of 40m x 80m on a single grid with local infill to 40m x 40m. Material was taken from the base of the "B" horizon at the contact with saprolite – generally at a depth of around 50cm. Sample size is 2kg. Samples are air freighted from Port Kaituma to Acme Laboratories in Georgetown. Gold analysis is by aqua regia digestion thence ICP-MS detection on a 15gm charge (0.5ppb Au detection limit) (Acme method 3A01 method).

QAQC was implemented by taking 10% field duplicates, preparation at Acme Laboratories in Georgetown thence submission to Ultra Trace Laboratories in Perth. Au only analysis is by aqua regia digestion thence ICP-MS detection on a 20gm charge (1ppb Au detection limit) (Ultra Trace method AR001 method).

The information in this Report that relates to exploration results is based on information compiled by Mr Phil Fillis who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Fillis is a geologist consulting to the company, with over 30 years experience as a geologist. Mr Fillis has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity for 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. Mr Fillis consents to the inclusion in the report of the matters based on his information in the form and context in which it is used.

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