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RETENTION LEASE OFFER AT OBAN

Curnamona Energy Limited (Curnamona Energy – ASX : CUY, 45.4% owned by Havilah Resources NL –ASX: HAV) is pleased to advise that the Department of Primary Industries South Australia (PIRSA), has written to its wholly owned subsidiary, Oban Energy Pty Limited (Oban Energy), **approving a proposal to grant a Retention Lease (248.1 hectares) over its 100% owned Oban prospect**, located 60 kilometres north of the Honeymoon uranium deposit. This follows a period of fifteen months during which Curnamona Energy has been working to satisfy PIRSA's stringent documentary requirements and public consultation procedures necessary for grant of the Retention Lease.

This clears the path for Oban Energy to lodge a mining and rehabilitation program (MARP) with PIRSA for conducting the proposed field leach trial, many aspects of which have already been covered in the application for the Retention Lease.

Curnamona Energy will move as quickly as possible to establish the field leach trial following approval of the MARP. Subject to a successful outcome of the field leach trial, Curnamona Energy will then apply for a Mining Lease and proceed to obtain an Export Licence and other approvals required for commercial uranium mining.

The Oban uranium discovery is in a coarse-grained sandy palaeochannel aquifer, that is expected to be amenable to low cost *in situ* leach (ISL) extraction methods. To date no resource has been published for the Oban deposit, mainly because it would be largely meaningless without knowledge of the critical ISL recovery parameters, which the field leach trial is designed to establish. Curnamona Energy is confident, however, based on its extensive drilling to date, that Oban contains sufficient sand hosted uranium to support a modest ISL operation for many years (see also Strachan Corporate Research Report Update on Curnamona Energy's website <http://www.curnamona-energy.com.au/>).

Commenting on grant of the Retention Lease, Curnamona Energy Chairman, Dr Bob Johnson, said that this was a major advance for the Company and took it one important step closer to implementation of its planned field leach trial.

“If the field leach trial establishes good recoveries for ISL uranium, then it is only a small step to a commercial operation. We would endeavour to achieve this in a cost-effective, low capital manner, based on the efficient Smith Ranch model in the USA. We may well become South Australia's next uranium producer.” he said.

CURNAMONA ENERGY LIMITED

Bob Johnson, Ph.D, FAusIMM, Chairman

The information in this report has been prepared by geologists Dr Bob Johnson who is a member of the Australasian Institute of Mining and Metallurgy and Dr Chris Giles who is a member of The Australian Institute of Geoscientists. Drs Johnson and Giles are employed by the Company on consulting contracts. They have sufficient experience which is relevant to the style of mineralization and type of deposit under consideration to qualify as Competent Persons as defined in the JORC Code 2004. Drs Johnson and Giles consent to the release of the information compiled in this report in the form and context in which it appears.

Enquiries should be directed to Dr Bob Johnson, Chairman, on (08) 8338 9292

