



**ASX / Media Release
7 August 2007**

Monitor Energy sets initial uranium target at the recently acquired Kashkasu II project in Kyrgyz Republic – exploration to commence this week.

Key points:

- **Joint Venture has set an initial target for the high grade Kashkasu II uranium deposit of 600 tonnes to 700 tonnes of U₃O₈, based on geological and mining information acquired. See below mentioned grades.**
- **Government approval for ground disturbing work granted.**
- **Heads of Agreement signed with TVI Drilling for exclusive use of drill rigs.**
- **Initial Drill program of 1,500m diamond drilling to commence within 6 weeks.**
- **Leopard's uranium exploration consultant has prepared a report outlining drilling targets to increase the resource.**
- **Access road upgrade to commence, with trenching of exposed mineralisation to follow shortly after.**

Australian based energy company Monitor Energy Ltd ("Monitor", or "the Company"), along with its joint venture partner, Leopard Minerals plc, has announced an initial target of between 600 and 700 tonnes of U₃O₈ within the zone of mineralisation encompassed by the historical workings at the Kashkasu II uranium project, in the Kyrgyz Republic.

Historic data for the Kashkasu II deposit indicate underground workings to a depth of approximately 150m and a strike length of approximately 800 metres. Uranium mineralisation is hosted by coal measures and adjacent sandstones. Current data indicates that the previously sampled mineralised units remain open at depth with interpretation of increasing width and grade.

Mineralised seam widths vary from 4.2-6.6m reported. Sampled grades typically vary from about 0.03-0.4% (300 – 4,000 parts per million) uranium, and are up to 1.4% in places, demonstrating the high grade nature of the mineralisation.

The grades reported in this announcement are based on reports and geological plans produced by Soviet government agencies. It should be noted that based on the information to date, there has been insufficient exploration to define a Mineral Resource which is JORC compliant and it is uncertain if further exploration will result in the determination of a Mineral Resource. The targets quoted in this announcement are conceptual in nature and is no guarantee that this work will enable the calculation of JORC Code compliant mineral resources.

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The confirmation of this target follows an extensive review of recently acquired historical geological and mining development information for the licence.

Following recent receipt of government approval to commence ground disturbing work, the Joint Venture is currently arranging the upgrading of the current access road to the project, ahead of the proposed exploration campaign. This is expected to be completed in the near term.

Leopard's consultant uranium expert, Dr Joe Drake-Brockman, has prepared a report to the JV outlining the initial drilling campaign to validate uranium mineralisation identified within historic underground exploration workings and test for depth extensions to the known mineralisation, currently explored to approximately 150m below surface. This initial program of 1,500m is planned to start within six weeks.

The exploration campaign will commence with a trenching program to test the surface exposure of mineralisation at the project. This program is expected to be completed before the end of the third quarter of this calendar year (Q3).

The Joint Venture has also signed a Heads of Agreement with TVI Drilling Ltd (TVI), which has agreed to supply the joint venture with the necessary diamond drill rigs to advance the uranium licences, particularly Kashkasu II, now that approval has been received. A detailed topographic survey will commence this week to assist drill hole positioning.

TVI has recently imported seven drilling rigs and support equipment into the Kyrgyz Republic. Joint Venture partner Leopard Minerals Ltd has established a close relationship with TVI and has been instrumental in that company establishing operations within the Kyrgyz Republic.

For more information please contact the Company on 08 9211 1555

Yours truly

A handwritten signature in black ink, appearing to read 'Jon Roestenburg', written over a horizontal line.

Jon Roestenburg
Managing Director

“The information in the report to which this statement is attached that relates to Exploration Results, is based on information compiled by Allen J Maynard, who is a Member of The Australasian Institute of Mining and Metallurgy or the Australian Institute of Geoscientists(AusIMM) and the Australian Institute of Geoscientists (AIG) and consents to the release of this information in the form and context within which it is issued”.

Editors Notes:

About the Joint Venture Agreement

On the 14th of June 2007 Monitor Energy and Leopard Minerals entered into a Strategic Joint Venture to explore and develop both companies' extensive (2,224kms²) uranium exploration licences in the Kyrgyz Republic, including the advanced Kashkasu Project.

Each party is responsible for 50 per cent of any exploration costs, with Leopard managing the exploration and development of the project.

Leopard has strong uranium exploration experience and success, owns the necessary equipment in the Kyrgyz Republic to undertake successful exploration and has a dedicated local exploration team.

About the Kashkasu II Project

Kashkasu II is an undeveloped Soviet era uranium deposit located within the Kavak Uranium Mining Centre, where 3 other deposits were mined between 1955 and 1968. Mining apparently ceased with the discovery of uranium deposits in Kazakhstan, close to nuclear testing facilities.

Kashkasu II was the subject of intense exploration during Soviet times, including extensive underground exploration and development.

The remaining 4 uranium exploration licences held by the Joint Venture have numerous uranium targets which will be advanced during this field season.

About the Kyrgyz Republic

The Kyrgyz Republic has a history of uranium mining, with production of approximately 3,000 tonnes mined up until the 1970s. Advanced exploration has been previously conducted by Soviet geologists but limited drilling was carried out.

The Company intends to expedite its uranium exploration program in the region, which will include detailed geological mapping, surface and underground sampling and radiometric surveys to determine drill targets.

About Monitor Energy

Monitor Energy is a Perth-based energy company which trades on the Australian Stock Exchange. The company holds five petroleum exploration licences in the Kyrgyz Republic, all of which are located in the Atbashi district of the Naryn province, and in the eastern regions of Lake Issyk-Kul in the north east.