

June 16thth 2009

ASX ANNOUNCEMENT – MEDIA RELEASE

VANADIUM RICH TITANOMAGNETITE AT AMAZON BAY, PNG

MIL Resources Limited (MIL) (ASX: MGK) is pleased to announce that assays from its recent ironsand sampling program at Amazon Bay have returned encouraging values up to 1.02% V₂O₅, 50.7% Fe and 20% TiO₂ (Fig 1.)

The vanadium results put a new focus on Amazon Bay given the demand for vanadium where its dominant end use is in steelmaking as an alloying element with iron, steel and titanium.

Over 200 testpit and auger samples were collected from the Barracouta and Threadfin ironsands prospects which occur as significant magnetic anomalies within the Amazon Bay ironsands system. This system spans over 200km of coastal plain.

At Barracouta 37 samples were collected from surface to a maximum depth of 6 metres and at Threadfin 171 samples were collected from surface to a maximum depth of 10 metres.

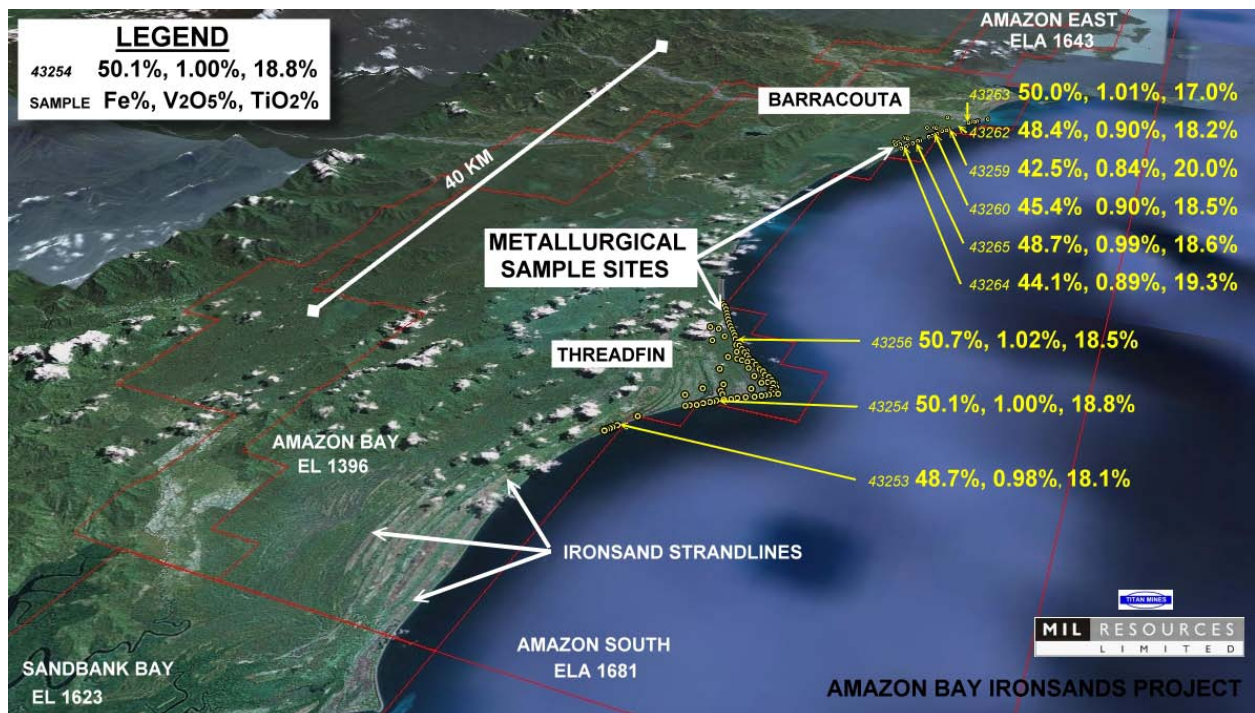


Fig 1: Amazon Bay – Iron (Fe%), Vanadium (V₂O₅%) and Titanium (TiO₂%) results at Barracouta and Threadfin prospects.

The samples were prepared into 16 representative composites and sent to Metcon Laboratories, Sydney where they were screened, blended, riffle divided and separated on a dry rotating magnetic drum separator to produce a magnetic concentrate. The magnetic fraction (iron bearing magnetics) was then riffle sampled and pulverized and sent to Spectrolabs, Geraldton for assay. Results are shown in Table 2.

Nine of the composites were selected for magnetic upgrading from samples which contained plus 15% magnetics by weight. These underwent grinding to 53 micron in a wet rod mill and separated in a slurry using a permanent magnet and sent to Spectrolabs for assay. The results are shown below in Table 1 and Figure 1.

Sample No	Fe %	V ₂ O ₅ %	TiO ₂ %	Al ₂ O ₃ %	SiO ₂ %
437253	48.7	0.98	18.1	2.3	6.2
437254	50.1	1.00	18.8	2.0	4.8
437256	50.7	1.02	18.5	2.0	4.5
437259	42.5	0.84	20.0	2.7	9.6
437260	45.4	0.90	18.5	2.6	8.5
437262	48.4	0.98	18.2	2.3	6.5
437263	50.0	1.01	17.0	2.3	5.9
437264	44.1	0.89	19.3	2.8	8.9
437265	48.7	0.99	18.6	2.2	6.2

Table 1: Amazon Bay ironsands assays; Fe%, V₂O₅ %, TiO₂ %, Al₂O₃ %, SiO₂% after magnetic upgrading

Sample No	Fe %	V ₂ O ₅ %	TiO ₂ %	Al ₂ O ₃ %	SiO ₂ %
437251	15.2	0.12	4.9	8.3	38.5
437252	19.5	0.25	7.3	8.5	34.3
437253	43.4	0.85	17.1	3.6	11.9
437254	47.5	0.91	18.8	2.4	6.4
437255	20.6	0.28	7.9	7.8	32.5
437256	48.3	0.94	18.7	2.3	6.0
437257	18.5	0.23	6.8	8.2	35.1
437258	19.0	0.25	7.1	8.5	34.7
437259	34.1	0.64	16.8	5.1	18.7
437260	35.5	0.67	15.2	5.1	18.8
437261	24.5	0.39	10.6	8.5	31.1
437262	42.0	0.83	16.9	3.6	12.4
437263	44.9	0.88	16.9	3.1	9.8
437264	34.3	0.65	15.9	5.4	18.8
437265	42.9	0.85	17.3	3.5	11.2
437266	28.9	0.53	13.9	6.6	25.4

Table 2: Amazon Bay ironsands assays; Fe%, V₂O₅ %, TiO₂ %, Al₂O₃ % and SiO₂ % pre-magnetic upgrading

A comparison of Amazon Bay's concentrate grade and with Australian vanadium deposits is shown in Table 3 ⁽¹⁾;

Company	Deposit / Prospect	Fe %	V ₂ O ₅ %	TiO ₂ %
Aurox Resources ⁽¹⁾	Balla Balla, W.A	58	1.0	14
MIL Resources ⁽²⁾	Amazon Bay, PNG	48	1.0	18
Reed Resources ⁽¹⁾	Barrambie, W.A	49	0.8	17
TNG Limited ⁽¹⁾	Mt Peake, NT	56	1.2	17
Windimurra Vanadium Limited ⁽¹⁾	Windimurra, W.A		0.5	

Table 3: Comparison of vanadium deposits with Amazon Bay.

MIL intends to conduct further metallurgical testwork to determine the optimal process route for the treatment of the Amazon Bay vanadium rich titanomagnetite whilst advancing discussions with potential end users.

ABOUT MIL RESOURCES LIMITED

MIL Resources Limited is an ASX listed resource company whose interests include:

- Amazon Bay, PNG - a major ironsands exploration target of 3 – 4 billion tonnes of magnetite ironsands⁽²⁾ based on previous exploration and an airborne magnetic survey flown by MIL in 2008. Work to date has been focused on expanding the known deposit, metallurgy and processing studies. MIL is in the process of earning up to a 90% interest by funding exploration and evaluation programmes.
- Titan Metals Limited – MIL has acquired a 50% interest in Titan Metals which has a portfolio of EL's and ELAs in PNG prospective for gold, copper, molybdenum and nickel. Current focus is on the Poi gold copper prospect which occurs as a well defined gold copper mineralized syenite ridge with alluvial gold draining the intrusive system. Geophysical modeling has defined an extensive radiometric anomaly striking over 10km long and 1.5km wide coincident with cross-cutting radiometric structures and magnetic anomalies. This setting is considered to be a favourable host to gold copper mineralized systems ⁽²⁾.

⁽¹⁾ Data taken from the company's available public information

⁽²⁾ To the extent that there is information included in the projects set out above any potential quantity and grade is conceptual in nature, there has been insufficient exploration to define a mineral resource under the JORC Code and it is uncertain if further exploration will result in the determination of a mineral resource under the JORC Code.

The information contained in this report that relates to Exploration Results or Mineral Resources or Ore Reserves is based on information compiled by John Haggman who is a Member of the Australian Institute of Geoscientists. Mr Haggman is a Director of MIL Resources Limited and has sufficient experience which is relevant to the style of mineral deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Mr Haggman consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

FOR FURTHER INFORMATION CONTACT:

Pat Elliott +61 (0)488 755 655

James Beecher +61 (0)411 013 200

John Haggman +61 (0)412 309 906

Web: www.mgil.com.au