

ASX ANNOUNCEMENT – MEDIA RELEASE

29 December 2008

GOLD – COPPER – NICKEL – MOLYBDENUM EXPLORATION LICENCES GRANTED AT POI AND DOMARA , PNG

HIGHLIGHTS

- EL 1637 Domara Creek and EL 1628 Poi, covering a total area of 1893 km² were granted to Titan Metals Limited by the PNG Minister for Mining.
- Poi Prospect, 250km south east of Port Moresby has significant potential for gold - copper deposits⁽¹⁾ hosted within alkali intrusive rocks. Previous sampling assayed from 1.8% to 7.4% Cu and from 0.2g/t to 1.3g/t Au.
- Domara Creek Prospect, 200km south east of Port Moresby, is highly prospective for copper-molybdenum and nickel deposits⁽¹⁾. The prospect has two major exploration targets hosted in ultramafic rocks with assays ranging from 50ppm to 14.1% Cu; 100ppm to 3.0%Ni; <1ppm to 0.5% Mo.

MIL has acquired a 50% interest in Titan Metals Limited, a private PNG registered company which holds six Exploration Licence Applications (ELAs) and two granted EL's covering over 10,000 km² in PNG. These EL's and ELA's host potential for significant discoveries of gold, copper, nickel and molybdenum deposits⁽¹⁾. MIL intends to bring several of these projects to "drill-ready" status and then explore various options for ongoing funding including a potential spin-off of Titan Metals.



Figure 1 - Tenement Location

Poi Prospect : located 250km southeast of Port Moresby and adjoining the Amazon Bay ironsands project, the Poi prospect covers a number of highly prospective areas with potential for the discovery of gold - copper deposits⁽¹⁾ hosted within alkali intrusive rocks. Previous sampling by AOG (1971), CRA (1984) and BHP (1994) identified high grade gold-copper mineralization within the exploration target of the Imudat intrusive complex where BHP obtained samples which assayed from 1.8% to 7.4% Cu and from 0.2g/t to 1.3g/t Au. The Poi prospect occurs as a well defined alkali syenite ridge with massive sulphide mineralisation and alluvial gold draining the system.

Additionally, recent petrology confirms the presence of epithermal and hydrothermal systems proximal to a major intrusive source.

Previous Explorer	Rock chip results
AOG	1.2% Cu, 0.4g/t Au, 11g/t Ag
CRA	2.1 g/t Au, 1.0 %Pb, 32 g/t Ag
BHP	7.4% Cu, 1.3 g/t Au

Table 1 – Poi, Previous Exploration Results.



Figure 2 – Alluvial Gold from Streams Draining the Poi Gold – Copper Prospect

Domara Creek Prospect : located 200km southeast of Port Moresby and adjoining the Amazon Bay project, Domara Creek is highly prospective for copper-molybdenum and nickel deposits.⁽¹⁾ The project has two major exploration targets hosted in ultramafic rocks ;

- McIntyre Creek prospect: assays ranged from 50ppm to 14.1% Cu; 200ppm to 0.4% Ni; 40ppm to 0.12% Co and 0.1ppm to 1920ppm Ag.
- Domara Creek prospect: assays ranged from 20ppm to 4.4% Cu; 100ppm to 3.0%Ni and <1ppm to 0.5% Mo.

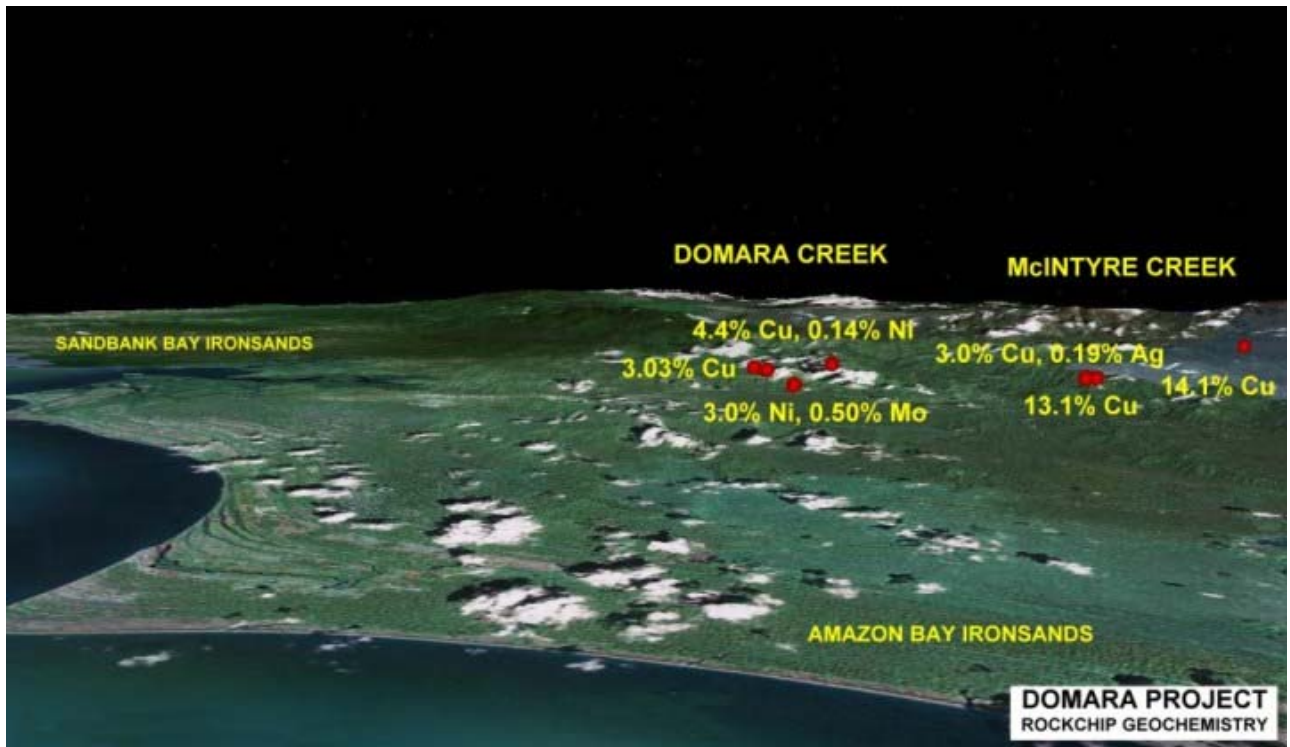


Figure 3 – Domara Geochemistry

Forthcoming work will comprise interpretation of low level airborne magnetics, mapping, sampling and further geophysics leading to the definition of drill targets.

ABOUT MIL RESOURCES LIMITED

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

- Amazon Bay, PNG magnetite ironsand project - MIL is in the process of earning up to a 90% interest by funding exploration and evaluation programmes. Work to date has been focused on airborne magnetics, expanding the known deposit, metallurgy and processing studies.
- Titan Metals Limited – MIL has acquired a 50% interest and is funding the initial \$700,000 in exploration. Titan Metals has a portfolio of ELAs in PNG prospective for gold, copper, molybdenum and nickel.
- MIL-Dow magnesium process technology - licensing discussions are underway.
- Mt Hutton, S.A. magnesite deposits – MIL is evaluating options for the sale or joint venture.

(1) 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.

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