



ANNOUNCEMENT TO AUSTRALIAN SECURITIES EXCHANGE

December 10, 2008

FUSION ANNOUNCES MAIDEN URANIUM RESOURCE AT VALHALLA NORTH PROJECT

Highlights:

- Total combined Mineral Resources of 7.06Mlb U₃O₈ exceeds Paladin's announced takeover bid condition of 6.0Mlb U₃O₈ in accordance with JORC
- Maiden Mineral Resources at Valhalla North comprise:
 - 3.96Mlb U₃O₈ Inferred Mineral Resource at Honey Pot
 - 2.24Mlb U₃O₈ Inferred Mineral Resource at Duke Batman
 - 0.86Mlb U₃O₈ Indicated Mineral Resource at Duke Batman
- Potential for shallow open-pit deposits

PERTH, Western Australia: Fusion Resources Limited ("Fusion" or the "Company") (ASX: FSN, TSX: FNS) is pleased to announce its maiden uranium Mineral Resource at the Company's 100% owned Valhalla North Project ("the Project") in northwest Queensland, comprising the Duke Batman and Honey Pot deposits.

CSA Global Pty Ltd ("CSA") has undertaken an independent Mineral Resource estimation in accordance with the JORC Code and has reported the following Mineral Resource estimates in relation to the Project:

	Mt	ppm U ₃ O ₈	% U ₃ O ₈	t U ₃ O ₈	Mlb U ₃ O ₈	Density
Duke Batman:						
Indicated Resource	0.50	780	0.078	0.39	0.86	2.8
Inferred Resource	1.61	630	0.063	1.02	2.24	2.8
Honey Pot:						
Inferred Resource	2.56	700	0.070	1.80	3.96	2.8
Total Resource	4.67	690	0.069	3.20	7.06	2.8

Note: Apparent differences may occur due to rounding.

The Mineral Resource estimates above were based on reverse circulation ("RC") drilling programs undertaken in 2007 and 2008 and a diamond drilling program undertaken in 2008 at Duke Batman and Honey Pot.

The drilling comprised a total of 75 RC drill holes for 10,521m and 6 diamond drill holes for 641.1m at Duke Batman and 46 RC drill holes for 5,483m and 3 diamond drill holes for 330.7m at Honey Pot.

A NI 43-101 Technical Report is currently being prepared and will be filed with the Ontario and British Columbia Securities Commissions in January 2009.

Condition of Paladin Offer

As announced on 2 December 2008, Paladin Energy Ltd ("Paladin") intends to make an off-market scrip takeover offer ("Offer") for the Company. It was a condition of this Offer that Fusion announces to the ASX that the Project has a Mineral Resource in accordance with the JORC Code of not less than 6.0Mlbs at a cut off of not less than 250ppm of U_3O_8 based on information compiled by CSA.

The Mineral Resource estimates calculated by CSA for the Project and included herein exceed this condition.

Mineral Resource

The Mineral Resource estimations are based on U_3O_8 X-ray Fluorescence Spectroscopy ("XRF") analytical assays from both RC and diamond drill hole sampling. Sample preparation and sample analysis was conducted by ALS Chemex (Brisbane laboratory).

The resource estimate was undertaken by CSA. The digital geological resource model is calculated using Ordinary Kriging. A uniform density of 2.8 was used from diamond drill core analysis. The resource uses a cut off grade of 250ppm U_3O_8 from XRF analysis.

The CSA Mineral Resource was estimated by construction of a block model within constraining wireframes. The resource reported has been rounded to reflect the fact that it is an approximation.

Mineral Resources that are not Ore Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, marketing, or other relevant issues. Importantly, it is noted that the Queensland State Government currently prohibits the mining of uranium. Unless there is a change in this policy, an Ore Reserve estimate for the Project cannot be determined.

Duke Batman Deposit

The Duke Batman deposit is located within the Company's 100% owned Valhalla North Project and approximately 45km north of Summit Resources Limited's (ASX: SMM) Valhalla uranium deposit. The mineralisation at Duke Batman appears to be of a similar style to that of Valhalla, which contains an Indicated Mineral Resource of 21.3Mt @ 1.76lb/t (800ppm) U_3O_8 for a contained 37.4Mlb of U_3O_8 ; and an Inferred Mineral Resource of 12Mt @ 1.65lb/t (750ppm) U_3O_8 for a contained 19.6Mlb of U_3O_8 . These resources were estimated using a cut-off grade of 0.5lb/t (227ppm) U_3O_8 and reported in accordance with the JORC code (refer Summit ASX release dated 22 August 2006).

The Company completed its maiden RC drilling program over the Project in December 2007, and a second RC and Diamond drilling program in July 2008. Drilling at the Duke Batman deposit consists of 75 RC holes, for a total of 10,521 metres and 6 diamond drill holes, for a total of 641.1 metres. All holes had a dip of -60 degrees. Five of the diamond drill holes at Duke Batman had an azimuth of 355 degrees, one hole had an azimuth of 015 degrees. The RC drilling at Duke Batman consisted of 66 holes with a northerly azimuth, five holes had a southerly azimuth, two holes had an azimuth of 115 degrees, the remaining two holes had an azimuth of 288 degrees.

The resource estimation at Duke Batman includes intersections as shallow as 4m to a maximum intercept depth of 220m down hole (~190m vertical). The resource model was extended to a maximum vertical depth of between 65 and 225m for varying mineralised zones over a strike of 700m.

The mineralisation is open down plunge and further drilling has the potential to increase this resource at depth.

Honey Pot Deposit

The Honey Pot deposit is located within the Company's 100% owned Valhalla North Project and approximately 100km north of Mt Isa in northwest Queensland.

Drilling at the Honey Pot deposit consists of 46 RC holes, for a total of 5,483 metres and 3 diamond drill holes, for a total of 330.7 metres. All holes had a dip of -60 degrees. The diamond drill holes at Honey Pot had an azimuth of 090 degrees. The RC drilling at Honey Pot consisted of 29 holes with a westerly azimuth and 17 holes with an easterly azimuth. The mineralisation at Honey Pot has a strike of 1,400m, trending north south with a sub vertical dip. The lateral extent of the Honey Pot deposit ranges between 15 and 35m, with a maximum vertical depth of approximately 160m.

The mineralisation is open down plunge and further drilling has the potential to increase this resource at depth.

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The information in this news release that relates to Mineral Resources is based on information compiled by Mr. Malcolm Titley, who is a Member of The Australasian Institute of Mining and Metallurgy ("AusIMM"). Mr. Titley is a full-time employee of CSA. Mr. Titley has sufficient experience 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' ("JORC Code").

Mr. Titley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

For further information regarding the Valhalla North Project, including a description of Fusion's quality assurance program, quality control measures, the geology, samples collected and testing procedures please refer to the technical report prepared in accordance with National Instrument 43-101 – "Standards of Disclosure for Mineral Projects" ("NI 43-101") entitled "Technical Report on its Valhalla North Project in Queensland Australia for Fusion Resources Limited" dated May 12, 2008, which is available under the Company's profile at www.sedar.com.

This news release contains forward-looking statements. These forward-looking statements reflect management's current beliefs based on information currently available to management and are based on what management believes to be reasonable assumptions. A number of factors could cause actual results, performance, or achievements to differ materially from the results expressed or implied in the forward looking statements. Such factors include, among others, future prices of uranium, the actual results of current and future exploration activities, risks inherent in resource estimates, plant and/or equipment failure, availability of financing, and obtaining Governmental and/or Native Title approvals and the fact that the Queensland State Government currently prohibits the mining of uranium.

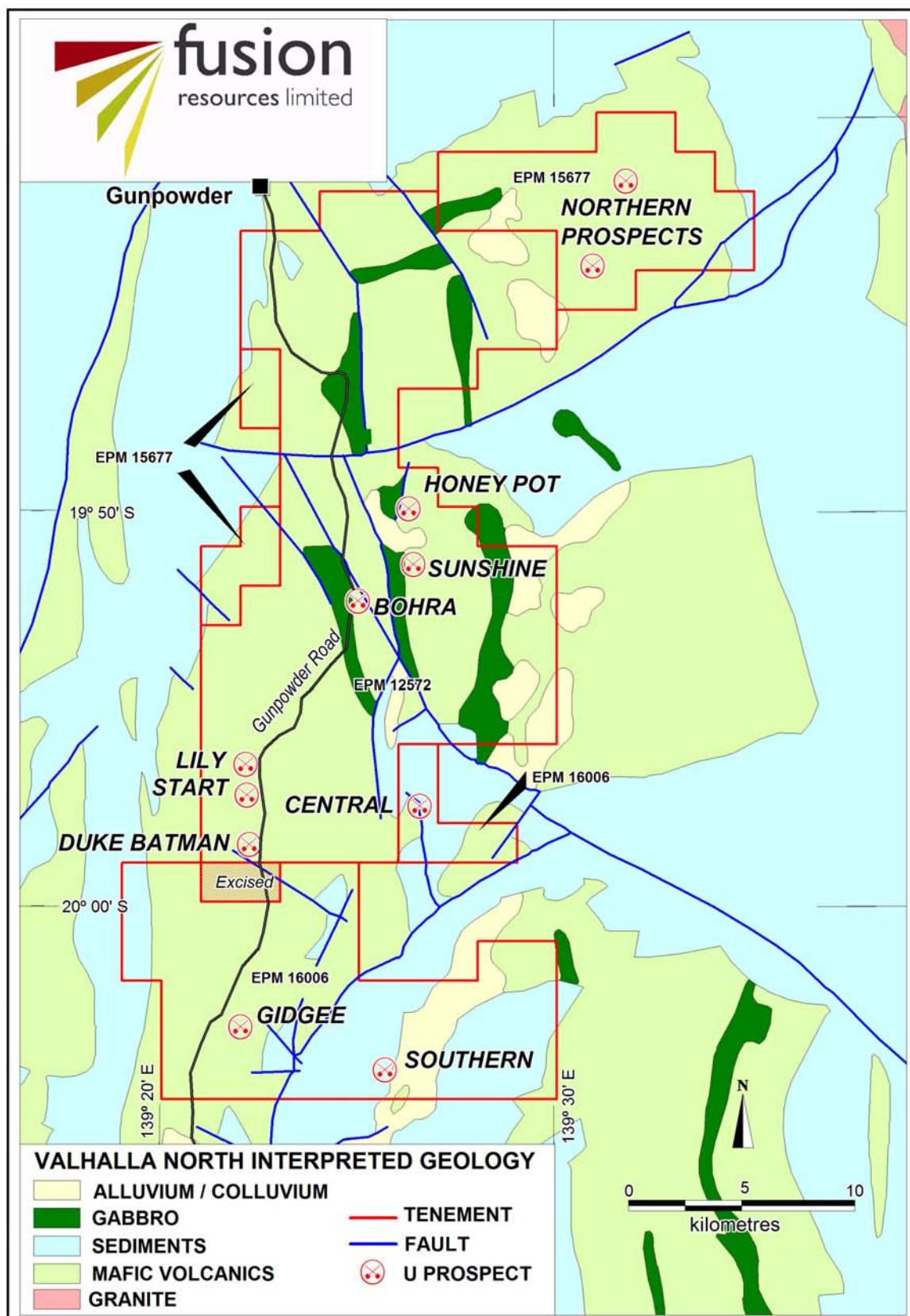


Figure 1: Location of Duke Batman and Honey Pot deposits