



GOLDSTREAM MINING NL

ABN 67 009 129 560

Uranex NL – A Dedicated Uranium Explorer 24 August 2005

Goldstream is pleased to announce the formation of a 100% owned subsidiary URANEX NL (Uranex) that will hold all of Goldstream's extensive uranium projects in Tanzania and Australia.

It is Goldstream's intention to list Uranex NL on the ASX in conjunction with a proposed capital raising of approximately \$6.56m. The funds raised will be dedicated to exploring and further advancing the uranium projects located in Tanzania and Australia. Goldstream will hold approximately 50% of the post IPO issued capital of Uranex NL.

In deciding to seek ASX listing for Uranex in conjunction with the proposed capital raising, a number of issues were considered.

- 1. The desire to maximise the value of the uranium interests for the benefit of Goldstream shareholders, without detracting from Goldstream's current exploration programmes on advanced projects in Tanzania and Australia.**

Goldstream's current exploration budget is largely committed to advancing its platinum/nickel projects in Tanzania and more particularly its 100% owned Nachingwea nickel sulphide project. Airborne-EM and follow up drilling is scheduled to commence August/September 2005. Goldstream is also planning a scoping study on its 100% owned magnetite iron, copper-gold project at Mt Woods in South Australia. In-fill drilling is scheduled to commence in September 2005.

- 2. The opportunity to capitalise on the prevailing positive sentiment towards the energy sector in general and uranium in particular.**

The proposed capital raising of \$6.56m will provide the funds to immediately evaluate the potential of Uranex's comprehensive uranium portfolio, at no cost to Goldstream.

- 3. The consolidation of Goldstream's uranium exploration interests into Uranex NL, and the subsequent listing of Uranex together with a capital raising is the initial stage of realising the full value of Goldstream's uranium interests.**

Uranex will be specifically uranium focussed, with a management team with relevant experience in uranium exploration/development and operating in Africa and Australia. The management team will be committed to increasing shareholder value through exploration success.

As a consequence of its 50.2% retained equity in Uranex, Goldstream shareholders will retain substantial exposure to the uranium sector and exploration upside, at no cost to Goldstream.

Those Goldstream shareholders wishing to acquire an interest additional to that provided by Goldstream's 50% equity in Uranex will be able to do so through a Priority Offer to eligible Goldstream shareholders.

CAPITAL STRUCTURE

Uranex will seek to raise \$6.56m through the issue of 38.8m shares at \$0.20 each. It is intended that half of the issue (16.4m shares) will be reserved as a Priority Offer for eligible Goldstream Shareholders at the Record Date (see below).

- Patersons Securities Limited have been engaged as Lead Manager to the Offer of Securities.

Each shareholder at the Record Date will be offered the right to apply for a minimum parcel of 10,000 \$0.20 shares in Uranex NL. Each shareholder who makes such an application will be guaranteed a minimum of 10,000 \$0.20 shares in Uranex NL. If the number of \$0.20 Uranex NL shares applied for exceeds the Priority Pool, the Directors of Uranex NL reserve the right to accept oversubscriptions to satisfy the guarantee of a minimum parcel of 10,000 Uranex shares to each applicant who is an eligible Goldstream Shareholder at the Record Date.

Post Listing of Uranex NL on the ASX

SHAREHOLDER	NO OF SHARES	PERCENTAGE
Goldstream	33m*	50.2%
Goldstream Shareholders (Priority Pool)	16.4m	24.9%
Public Pool	16.4m	24.9%
Total Shares Issued	65.8m	100.0%

*Consideration for assigning its uranium assets to Uranex NL

If there is a shortfall in the Priority Offer pool of 16.4m Uranex NL shares, those shares will be allocated at the discretion of the Uranex NL Directors and the Lead Manager on the basis of the applicants shareholding in Goldstream on the Record Date.

A pool of 16.4 million shares in Uranex NL at \$0.20 each will be offered to the public through the Lead Manager and shares in this pool will be allocated by the Lead Manager in consultation with Goldstream and Uranex.

NOTE: ELIGIBLE GOLDSTREAM SHAREHOLDERS ARE THOSE SHAREHOLDERS REGISTERED AS SHAREHOLDERS ON THE COMPANY'S SHARE REGISTER AT NO LATER THAN 5.00PM WST ON THE RECORD DATE 23 AUGUST 2005.

Uranex intends to lodge a prospectus with ASX and ASIC within the next four weeks. It is anticipated that shareholders will receive a prospectus about 10 days after the lodgement date, at which time the prospectus will also be available on Uranex's website: www.uranex.com.au.

MANAGEMENT

BOARD COMPOSITION AND SENIOR MANAGEMENT

The Board and Management of Uranex provides a blend of complementary skills. The team has a strong background in uranium exploration and development and a sound working knowledge of operating in Africa as well as Australia. Together with solid management, technical, commercial, financial and legal skills, the management structure is well equipped to deliver the company's objectives.

Mr Terry Ward F AUS. IMN, F IMMM.

Executive Chairman

B.Sc. (Hons) Mining Engineering

M.Sc. Engineering Production

Terry has a distinguished career in the mining industry including development, operations marketing and general management.

During his 16 years with CRA (now Rio Tinto) Terry was involved with two major uranium projects. He held the positions of Operations Manager and General Manager, Mary Kathleen Uranium Ltd for a period of eight years. He was responsible for the management of the operational, commercial, financial and closure and rehabilitation aspects of the Company. During the later period he was also General Manager - Development of the Rudall River Uranium Project.

Terry also has extensive experience in Africa as General Manager/Managing Director of Bogoso Gold Limited (owned by the Republic of Ghana, the International Finance Corporation (IFC) and Billiton International). During Terry's tenure the Bogoso operation was substantially upgraded in terms of resources and through-put and establishing a robust operational cash flow. Terry was also Director General of Mines D'Or Akjoujt S.A Mauritania.

Also in Africa, Terry held the position of Executive Manager AFL Management Ltd, the Manager of the African Lion Limited Fund. Founding shareholders of African Lion include the Lion Selection Group (Australia), CDC Capital Partners (UK), Proparco (France), Investec Bank Limited (South Africa), First Rand Bank Limited Africa (South Africa) and European Investment Bank. Terry's responsibilities included the identification, research, due diligence and recommendations of appropriate investments to the Executive and Investment Committees, management of the Investment Portfolio and Board representation.

**Mr Mark Stewart
Managing Director**

B. Journ LLB HDip Co Law HDip Tax

Mark has a considerable degree of expertise and global commercial experience in the negotiation of exploration and mining transactions across a wide range of multinational jurisdictions.

Mark is a lawyer by background and holds a BJourn degree from Rhodes University where he majored in Journalism and Law and an LLB from the University of Cape Town. He also holds post graduate Higher Diplomas in both Company Law and Tax from the University of Witwatersrand in Johannesburg.

Mark is an admitted attorney in South Africa, and he is admitted as a barrister and solicitor in Western Australia.

Mark spent 10 years working with the new business/exploration and acquisitions division of Anglo American plc, initially based in Johannesburg with involvement across Africa and Europe, then in Asia based out of Singapore and finally based in Perth from 1999 to 2003 as Regional Manager for Asia and Australia.

**Geoffrey Joseph Wallace FCPA, FTIA, MAICD
Director/ Company Secretary**

Geoff is a Fellow of the Australian Society of Certified Practicing Accountants and a Fellow of the Taxation Institute of Australia. He has over thirty five years experience in financial, corporate and management areas of the mining industry including 5 years working with Homestake Mining Company, 9 years with Hanna Mining Company, and 9 years with Titan Resources NL.

Geoff is a member and former director of Australian Mining and Petroleum Law Association Limited.

Geoff was appointed company secretary of Goldstream Mining NL in 1988 and joined the Board in 1996. He is chairman of the Mibango and Luwumbu Tanzania Joint Venture Committees and is a member of the Goldstream audit committee.

Mr Lloyd Arthur Berrey FCPA
Non Executive Director

Lloyd is a Fellow of the Australian Society of Certified Practising Accountants. He was admitted to the Society in 1966 and elevated to the status of Fellow Member in 1973. Lloyd has some forty years experience in the mining industry including 11 years working with Western Mining Corporation, 9 years with Texasgulf Inc. and 7 years with the Placer Dome Group of companies in Australia. He has worked as a Consultant to the mining industry under the employ of Berrey Management Services Pty Ltd since he left the Placer Dome Group in 1995.

Lloyd has worked in a number of senior accounting roles during the time he spent with each of the companies listed above and he has also worked in various management roles outside the accounting arena. Apart from his extensive accounting experience, his management roles have included those of General Manager, Vice President and Senior Vice President with Texasgulf Australia Limited, Administration Superintendent, Special Projects Consultant - Internal and Administration Manager on various projects within the Placer Dome Group.

Robert Edwards
Technical Advisor/Exploration
BSc Hons. Geology/Physics

Rob is an eminent geologist with 35 years world wide industry experience specialising in project generation, acquisition and management.

His 10 years with CRA included extensive uranium exploration around the Mary Kathleen Uranium Mine in Queensland, the Kimberleys and other areas in Western Australia and the Northern Territory.

Rob spent 5 years in nickel, base and precious metal exploration in Australia, Indonesia, Pacific-rim countries and Brazil with the original USA based Anaconda Minerals.

Rob was one of five founding geologists of Dominion Mining in 1980. Dominion advanced from zero gold production to over 400,000oz per year within a 5 year time frame. As exploration manager Robert initiated the Challenger discovery program in South Australia.

For the last 7 years Rob has been Exploration Manager for Goldstream Mining and has been instrumental in the generation and acquisition of the Mibango and Luwumbu Platinum/Nickel projects in Tanzania and in targeting the Uranex uranium package.

EXPLORATION POTENTIAL

Background: Goldstream's uranium portfolio has emerged from nearly 12 months of target generation and land acquisition. The objective was to achieve a balance of advanced (Australia) and greenfields uranium targets (Tanzania) in order to facilitate participation in early resource definition and multiple discovery opportunities in highly prospective but poorly explored terrains.

The two countries in which Goldstream's projects are located have geological similarities but are at vastly different stages of exploration and mineral development:

Australia

- Stable multi-party democracy
- Advanced economy
- Established mining industry
- High level of prior uranium exploration
- Established resources and mines
- Uranium viewed as a strategic commodity
- Changes in political landscape required to allow expansion of the industry
- Current Federal government is instigating change.

The current exploration focus in Australia is largely on mineralisation that was identified during the comprehensive wave of uranium exploration conducted in Australia during the 1970's.

Due to a substantial increase in the price of uranium, many mineral occurrences are now being re-appraised as to their further exploration and economic potential. Uranex has acquired two such projects in Australia and is well placed to take advantage of the changing political and public attitude to uranium.

Tanzania

- Stable multi-party democracy
- Newly established and expanding mining industry
- Uranium is treated as any other commodity
- High prospectivity
- Negligible prior uranium exploration.

Minimal uranium exploration has been undertaken in Tanzania and none recorded during the past twenty years. However, the country's potential for uranium was established by a radiometric survey of the entire area conducted for the Government in 1968/70 which led to the discovery of two roll-front uranium deposits. While these deposits are now largely contained within the Selous Game Reserve, a large number of radiometric anomalies outside of restricted areas remain untested.

Uranex will have access to established exploration infrastructure in Tanzania and a long-standing relationship with the Ministry of Energy and Minerals, developed by Goldstream. This will enable Uranex to expedite the rapid evaluation and advancement of the highly prospective uranium land package.

PROJECT SUMMARIES

**Australia: Tenements 10 (including applications)
Total Area 700km² (Figure 2)**

Thatcher Soak

Uranex has acquired the sole and exclusive rights for uranium and associated minerals within ELA38/1732, which contains the Thatcher Soak uranium deposit and is located 134km east of Laverton in Western Australia.

Drilling carried out at Thatcher Soak between 1971 and 1977 identified a shallow sheet of calcrete hosted uranium mineralisation extending over 7.5km of strike with widths of 0.2 to 1.0km and thicknesses varying from 1 to 6m. Best intersections include **6m @ 1.04kg/t** uranium (U₃O₈), **4m @ 0.96kg/t** uranium (U₃O₈) and **4m @ 0.92kg/t** uranium (U₃O₈), all open at depth. The mineralisation is open to the west and at depth, with the core area contained within ELA38/1732.

The historic grade of the mineralisation was measured radiometrically with anomalous intervals confirmed by direct assay. Check assaying from two independent laboratories gave results which were on average 50% greater than the initial results for the lower grade samples and 100% greater for the higher grade intervals. These results suggest that the deposit may be 'young mineralisation' and possibly in disequilibrium radiometrically. Historic grade and tonnage estimates of contained uranium may therefore be understated.

The initial exploration program will be designed to assist in quantifying both the size and grade of the deposit.

Bynoe

The Company's tenements in the Northern Territory are located on the western flank of the Pine Creek Geosyncline which contains uranium deposits such as Jabiluka, Ranger and Nabarlek.

Uranium mineralisation and the geological setting was confirmed by historic drilling in the 1980's. This mineralisation (**1.7m @ 0.36kg/t** uranium (U₃O₈)) and **1.5m @ 0.48kg/t** including **0.08m @ 2.48kg/t** uranium (U₃O₈) is associated with chlorite and hematite alteration, reverse thrust structures, carbonate, graphitic schist, pegmatite and gneiss including many characteristics of the uranium deposits throughout the Pine Creek province. The host magnetic stratigraphy is crossed by a series of demagnetized structures which may indicate hematite alteration and foci for uranium concentration. These structures have not been drill tested and exploration will initially target these zones.

Tanzania: Tenements 20 (including applications)
Total Area 15,200km² (Figure 1)

Goldstream's project generation included an analysis of a country wide digital radiometric data set, a review of all historic uranium exploration and the Company's own extensive drainage sampling data base. The digital radiometric data base has been further upgraded by Goldstream using modern software and interpretation techniques.

This process identified 55 individual uranium targets and resulted in the lodgement of 20 tenement applications covering a total area of 15,200km². To date more than half of this area has been processed and offered to Goldstream by the Ministry of Energy and Minerals.

The tenements cover a range of 'calcrete' and sandstone 'roll front' uranium environments with historic uranium drill intersections and strong airborne and regional geochemical drainage anomalies.

The tenements fall into the following main groupings;

- Calcrete and playa lake uranium in Central Tanzania - 8 tenements
- Sandstone hosted uranium in the Karoo sediments of the Mkuju area in Southern Tanzania - 5 tenements
- Uranium associated with Tertiary and Recent alkaline volcanics in Northeast Tanzania - 3 tenements
- Other targets - 4 tenements

Bahi

In the Bahi area of central Tanzania an extensive internal (closed) drainage system has developed over deeply weathered uranium rich (hot) Archean granites. Calcrete drainage channels and ephemeral lakes show strong uranium anomalism with carnotite mineralisation exposed in shallow trenches. Limited trenching, dating from the early 1980's, returned values up to **0.39kg/t** uranium (U₃O₈).

The ultimate repository for the drainage transported uranium is the Lake Bahi Depression. Drill samples obtained from a salt exploration program at Lake Bahi in 1952 were later scanned for radioactivity and a selected core interval of 0.15m returned an assay of **2.3kg/t** uranium (U₃O₈).

The entire area has many similarities with the Yilgarn calcrete uranium province of Western Australia which hosts Yeelirrie, Lake Way, Thatcher Soak and numerous other uranium deposits.

Mkuju

Sandstone hosted uranium mineralisation occurs in the Mesozoic Karoo basin sediments at Mkuju in Southern Tanzania. Although the main deposit as drill tested in 1970/72 is mainly locked up in the Selous Game Park, radiometric anomalies suggest that mineralisation occurs for up to 120km to the south and south west outside of the reserve. Goldstream's tenements cover 100km of this potential strike. The Kayelekera uranium deposit (11,300t U₃O₈) in Malawi occurs in similar rocks 300km to the west.

Ambussel

Tertiary and Recent alkaline volcanics in Northeast Tanzania have high background uranium levels with the Tarosero trachyte assaying 18 to 58 ppm uranium over 20km². These volcanics represent an extensive rich source for uranium and carbonate rich water as a medium for transport. Several strong uranium airborne anomalies have been identified in the area. The Ambussel and Ndedo anomalies appear to relate to lakes or drainage systems but remain unclassified until reconnaissance surveys have been conducted.

Uranex will emerge as an active and serious player in the uranium exploration sector. The Company has secured a dominant land position in Tanzania where 55 targets have already been generated for initial testing.

Uranex is exceptionally well positioned to participate in Tanzania's uranium potential which is largely unconstrained due to the absence of any previous sustained and systematic exploration effort.

Uranex's "early entry" to Tanzania and acquisition of advanced projects in Australia provides a strong base for delivery of the Company's objectives to increase shareholder value through exploration success.



GEORGE S KENWAY
MANAGING DIRECTOR

Information in this announcement relating to exploration results is based on data compiled by Bianca Manzi who is a Member of the Australian Institute of Geoscientists, and who is a full-time employee of the Company. Bianca Manzi has sufficient relevant experience to qualify as a Competent Person under the 2004 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Bianca Manzi consents to the inclusion of the data in the form and context in which it appears.