

**NEWS RELEASE****COMMENCEMENT AND AWARD OF DEFINITIVE FEASIBILITY STUDY  
TO DRA MINERAL PROJECTS**

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**Perth, Western Australia – 3 March 2010: Mantra Resources Limited ('Mantra' or 'the Company') (ASX: MRU, TSX: MRL)** is pleased to announce that the Definitive Feasibility Study ('DFS') for the Nyota Prospect, part of the Mkuju River Project ('MRP' or the 'Project') in Tanzania has commenced. Following the successful completion of the Pre-Feasibility Study ('PFS'), the Company has appointed DRA Mineral Projects ('DRA') as the Engineering, Procurement, Construction and Management ('EPCM') Contractor for the DFS. This appointment was completed following a comprehensive and competitive tender process.

DRA are a highly respected company that has over 25 years experience in the minerals industry, designing and building large scale mines, processing plants and associated infrastructure throughout Africa. DRA were selected on the basis of their previous record of supplying a fully integrated "one stop shop" that includes expertise in most facets of designing and building mines. These attributes include mining, processing, design and project management. In addition, via their operational company, Minopex, DRA will be able to assist Mantra during the mine commissioning and ramp up period with operational expertise and systems. This is a key driver for Mantra to reduce its risk profile as it brings the MRP into production. Their offices are based in Johannesburg, South Africa.

In addition to the appointment of DRA, Mantra has selected and completed the appointment of a highly experienced owner's team, all of whom have extensive project management and operating experience in Africa.

The DFS is scheduled for completion during the fourth quarter of 2010. A key component of the DFS is a comprehensive integrated pilot metallurgical test program. This program will comprise building a laboratory scale plant that will process an approximate seventeen tonne bulk sample, representative of the first seven years of scheduled production from the Project. This work will be conducted at ANSTO in Sydney with the aim of testing and optimising the current Project flow sheet and minimising Project risk.

Other key aspects of the DFS include:

- Further resource infill and exploration drilling. Two drill rigs are already on site and further rigs will be brought in through the year;
- Permitting; and
- Uranium marketing and off-take arrangements.

Peter Breese, Mantra's CEO said *"This is a significant step forward for the Company. The PFS has delivered excellent results and we thank MDM Engineering for a robust and comprehensive study. The appointment of DRA and the commencement of the DFS will allow for full integration of the Project disciplines within the EPCM Contractor as the Company starts to transition from explorer to developer and ultimately producer"*.

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## **Regulatory Disclosures**

*This news release contains 'forward-looking information' that is based on the Company's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to pre-feasibility and definitive feasibility studies, the Company's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this news release are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different.*

*Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Forward-looking information is developed based on assumptions about such risks, uncertainties and other factors set out herein, including but not limited to the risk factors set out in the Company's Annual Information Form.*

*This list is not exhaustive of the factors that may affect our forward-looking information. These and other factors should be considered carefully and readers should not place undue reliance on such forward-looking information. The Company disclaims any intent or obligations to update or revise any forward-looking statements whether as a result of new information, estimates or options, future events or results or otherwise, unless required to do so by law.*

*For further information regarding the Mkuju River Project, including a description of Mantra's quality assurance program, quality control measures, the geology, samples collected and testing procedures in respect of the Mkuju River Project please refer to the technical reports prepared in accordance with NI 43-101 entitled "December, 2009 Resource Update – Mkuju River Project" dated 7 December 2009 and "Technical Report on the Mkuju River Project located in Tanzania, Africa" dated 18 September 2009, which are available under the Company's profile at [www.sedar.com](http://www.sedar.com).*