

Forsys Metals Corp.: Valencia Uranium Project Update 08/21/2007

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TORONTO, ONTARIO--(Marketwire - Aug. 21, 2007) - Forsys Metals Corp. (the "Company" or "Forsys") (TSX:FSY) is pleased to provide an update from ongoing activities at its wholly-owned Valencia Uranium Deposit ("Valencia") in Namibia, Africa. The Company's optimization activities at Valencia include exploration and geotechnical drilling, together with ongoing engineering and environmental studies.

As previously reported the current mineral resource (measured, indicated and inferred) at Valencia represents 62.1 Mlbs of U<sub>3</sub>O<sub>8</sub> while the current mineral reserve (probable) represents 117 Mt of ore at a grade of 0.12 kg/t which amounts to 30.9 M lbs of U<sub>3</sub>O<sub>8</sub> (see the Company's press releases dated July 9, 2007 and June 28, 2007). The internal rate of return for the Valencia Project is currently calculated to be 74%.

The original 6 hole exploration and definition drilling program within the Valencia's Main Zone-East Zone transition area has been completed. This drilling campaign was extended to include an additional two holes which are currently underway. The Company reports that granite intersected within the drilling area is radioactive and two batches of assay samples are either in the lab circuit or en route to the lab. The next definition drilling campaign will involve a series of 16 drill holes designed to test the eastern margin of the planned pit. These holes will assist with the Valencia final pit design and geotechnical assessment in the main ramp area of the mine.

The Company's geological staff anticipates that blocks within the transition zone previously categorized as waste will be reclassified into the ore category for the resource and reserve calculation to be contained in the forthcoming Feasibility Study.

#### Valencia Infrastructure and Metallurgy

A process plant design tender for Valencia has been issued to a select number of engineering firms and the Company reports that two firms have been short-listed through the adjudication process. Negotiations are underway to address an expedited transition from Feasibility Study to full design and construction.

The next phase of metallurgical test work is currently underway. Over 200kg of samples were delivered for a test program that consists of variability testing, mineralogical studies, comminution index testing and process optimization studies (grind size, acid dissolution and leaching times).

Environmental studies at Valencia are well advanced. The Scoping Phase was completed and the Scoping Report was received. Tenders were presented for completion of the Environmental Impact Assessment (EIA) and the Environmental Management Plan

(EMP) process, and are being adjudicated. Specialist studies dealing with radiation, hydrogeology, botany, air quality, socio-economics etc. are well underway.

Further to the Company's press release dated May 18, 2007, the seawater desalination project required for future production at Valencia has progressed. Appropriate involvement by stakeholders continues to be negotiated. Forsys has been assured that the required volumes of water will be available in time for planned production.

The Company is pleased to report that an application for a mining license in connection with the Valencia is being prepared for submission to the Namibian Ministry of Mines and Energy.

#### Joly Zone Update

The Joly Zone, discovered in December of 2006, is an outcropping high grade uranium-bearing alaskite granite dykes/sills zone located approximately 1,500 m north of the Valencia Main Zone within the Company's Valencia property. This zone was mapped radiometrically as part of the full coverage survey of the Company's Uranium license. A suite of geological surveys was carried out over the property to aid the Company with its mine planning model for the Valencia Main Zone. The radiometric survey was followed up by prospecting, resulting in the collection of 19 grab samples over the new zone. There is no evidence of any previous exploration or drilling on this zone.

The Joly Zone Phase 1 exploration program shows that the radiometric anomaly is approximately 1000 m x 25 m wide opening to potentially a larger nose fold area of approximately 400m x 700m. A limited 5 hole drill program was completed in the immediate area of the discovery outcrop along the dyke producing some 350 samples. Radioactive granites were intersected over narrow widths. Assays are pending and will be released once available and Dr Roger Laine completes his follow-up mapping program and assessment. Additional work required includes whole rock analytical program, radiometric and if necessary a RAB drill (or other non diamond drill) program to further define the new zone.

The lengthy delay in receiving assays is due to new regulations in South Africa with regards to handling of naturally occurring radioactive material.

#### Additional Uranium Exploration by Forsys in Namibia

A reconnaissance program of uranium exploration has started on four Exclusive Prospecting Licenses ("EPL") acquired by the Company in March 2007. Six large target areas were identified in the initial phase of work. The licenses cover over 315,000 Ha are along strike from the Trekkopje uranium deposit and has only seen limited modern exploration. The Company has compiled the available information, including airborne surveys from the Geological Survey of Namibia (radiometrics and magnetics) and field studies are underway to identify drilling targets. A first phase radon survey is being contracted locally.

## Cash Holdings

The Company has \$51.8M in cash which is invested in short-term deposits and bankers acceptances issued by Canadian chartered banks and is not exposed to risks associated with the asset backed commercial paper market. The Company is sufficiently financed to execute its business plan in advancing Valencia through the Feasibility Study.

Dr. Roger Laine, Ph.D., Chief Geologist of Forsys, is the designated Qualified Person responsible for the Company's geological and exploration programs as well as for the general content of this news release.

Shares Outstanding: 74,524,204

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