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AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

1st October 2008

NEW JOINT VENTURE WITH MEGA URANIUM AT PARKINSON DAM, SA

The Directors of Fission Energy Limited (ASX: "FIS") are pleased to announce that it is has formed a joint venture with Mega - Hindmarsh Ltd, a wholly owned subsidiary of Mega Uranium Ltd of Canada to explore the Parkinson Dam project for uranium. The Parkinson Dam tenements, located 60 km west of Port Augusta in South Australia (Figures 1 & 2), are held by Tasman Resources NL (ASX: TAS), and Fission Energy has the uranium rights. Tasman is currently exploring these tenements for epithermal gold mineralisation.

Under the new joint venture agreement (Wartaka Joint Venture) Mega Hindmarsh can earn 51% of Fission's 100% uranium rights within ELs 3307 and 3739 by the expenditure of $300,000 on uranium exploration over 3 years, and can earn up to 75% by the total expenditure of $800,000 over 5 years. Hindmarsh are subject to a minimum expenditure of $50,000 prior to withdrawal. Should Fission dilute below 5% it would be entitled to a 1% NSR uranium royalty.

As the joint venture is for uranium only, any non - uranium minerals discovered by the joint venture would belong to Tasman Resources.

The area is considered prospective for unconformity - associated uranium deposits close to the contact between the Mesoproterozoic Corunna Conglomerate and the underlying Palaeoproterozoic metasedimentary rocks. Outcropping uraninite (uranium oxide) mineralisation (Figures 2 & 3) discovered in EL 3307 by an earlier explorer was reported by Tasman in 2006.

Initial exploration of the Parkinson Dam tenements by Mega Hindmarsh will involve an airborne electromagnetic survey and hyperspectral scanning.

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Executive Chairman

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The interpretations and conclusions reached in this report are based on current geological theory and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for complete certainty. Any economic decisions that might be taken on the basis of interpretations or conclusions contained in this report will therefore carry an element of risk.

The information in this announcement, insofar as it relates to Mineral Exploration activities, is based on information compiled by Michael J. Glasson, who is a member of the Australian Institute of Geoscientists, and who has more than five years experience in the field of activity being reported on. Mr Glasson is an employee of the company and has sufficient experience which is relevant to the style of mineralisation and type of deposit 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 Exploration Results, Mineral Resources and Ore Reserves'. Mr Glasson consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

It should not be assumed that the reported Exploration Results will result, with further exploration, in the definition of a Mineral Resource.

Figure 1: Parkinson Dam Project Location Plan

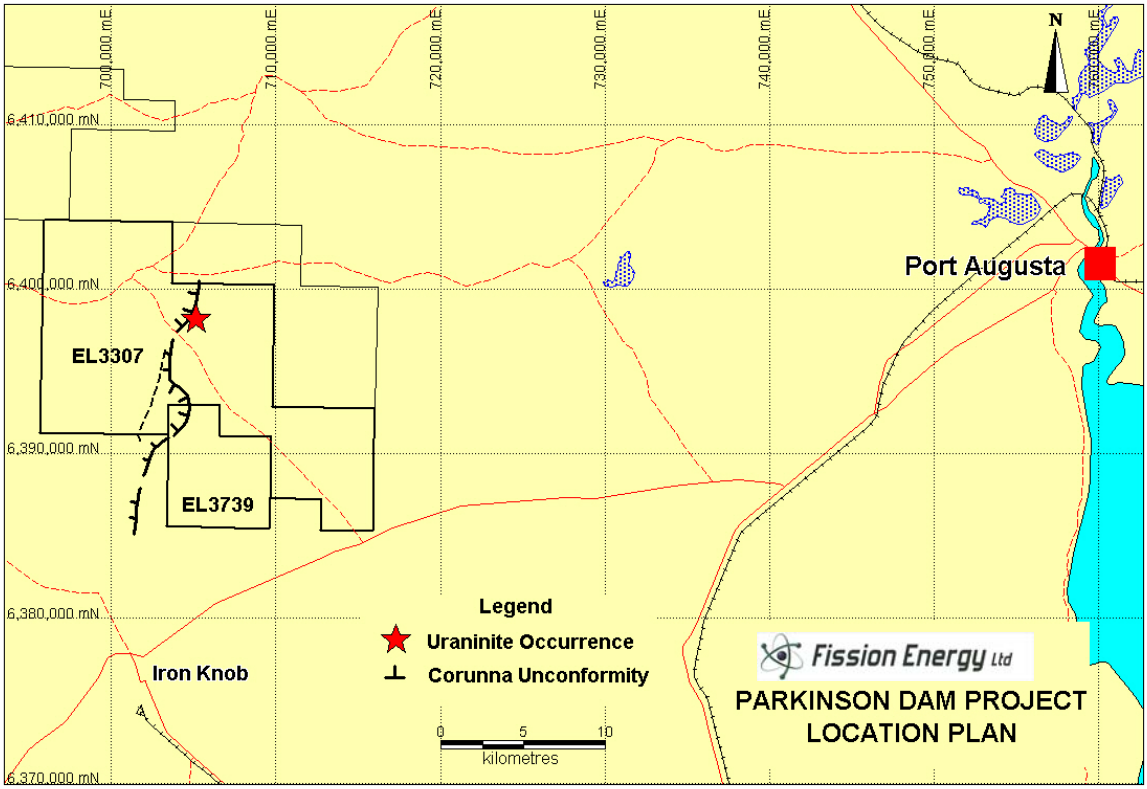

Figure 2: Location Plan showing ELs 3307 and 3739

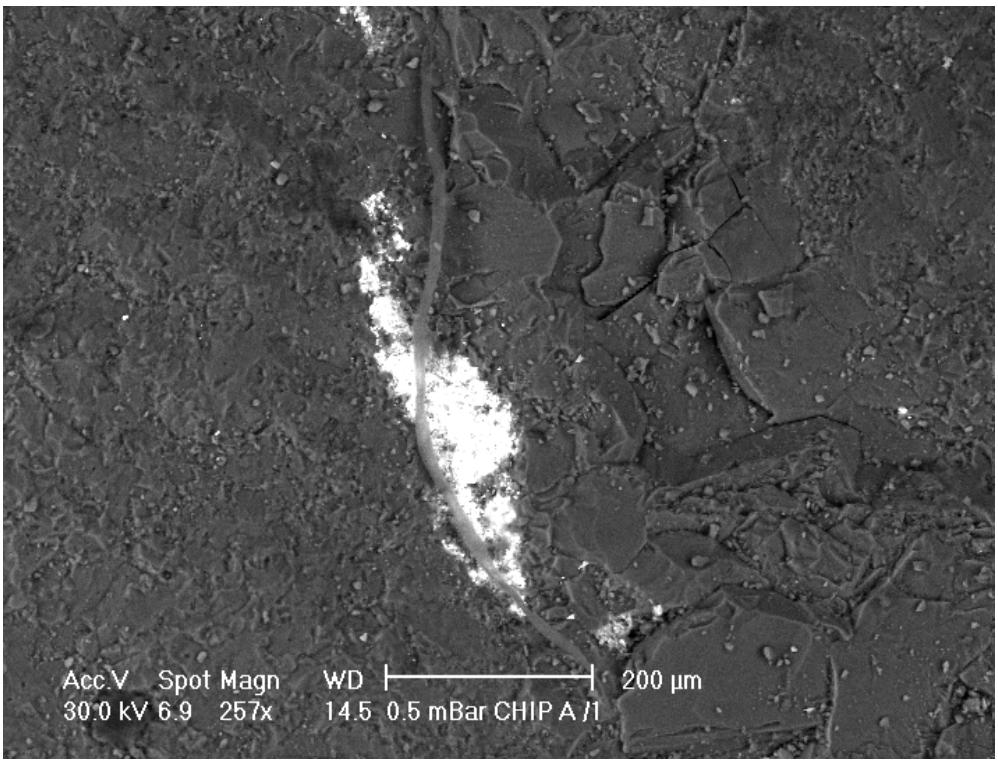

Figure 3: Uraninite grain in quartzite from location shown in Figure 2.