



9 June 2010

## SHORTFALL OFFER - ALLOTMENT

The Company is pleased to advise that it has received initial shortfall applications for 15,425,305 shares and 7,712,657 options exercisable at 8 cents and expiring 31 December 2012 pursuant to the Shortfall Offer detailed in the Prospectus dated 31 March 2010.

This brings funds raised to date from the rights issue and first tranche of the shortfall placement to \$1.072 million and allows the Company to continue its exploration and planning programmes.

### **Amendment to Corporate Advisory Fee**

The company entered into a mandate with Greenday Corporate Pty Ltd to assist the Company to place any Shortfall Shares and options. That agreement has been varied so that the success fee payments will be based on a pro-rata basis of the placement of the shortfall rather than successful completion of the entire shortfall. The quantum of the success fee has not been altered.

In the current share market volatility, the Directors believe that placement of the shortfall shares and options is best completed in tranches and the variation of the fee structure to pro-rata success fees will not adversely affect investors. If the entire shortfall is placed, Greenday will receive 20,000,000 options exercisable at 8 cents, expiring 31 December 2012 and fees of \$50,000.

The total shortfall of shares amounted to 78,875,723 and 39,437,850 options. Following the placement of the first tranche of shortfall shares and options (advised above); a balance of 63,450,418 shares and 31,725,193 options remain to be placed.

A handwritten signature in blue ink, appearing to read 'Ian Hobson'.

Ian Hobson  
Company Secretary