

ASX RELEASE

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**UPDATE ON PROCESS RELATING TO POSSIBLE SALE OF COMPANY AND/OR
ASSETS IN WHOLE OR IN PART: FORMAL PROCESS NOW COMMENCED**

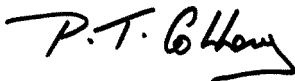
On February 16, 2009 the Company announced it had mandated Goldman Sachs & Company to seek global buyers for the Company and/or its assets in whole or in part.

The Company advises that the formal process relating to the possible sale of the company and its assets has now commenced.

Goldman Sachs and the Company are currently in the process of completing the building of a virtual data room, Information Memorandum and legal documentation relating to the process. These tasks are being completed in conjunction with the Upgraded Reserve Report also currently being completed by independent engineers, William H. Cobb & Associates.

The Company is unable at this time to give any firm guidance with regard to timing of the process now commenced. The Company will continue to provide announcements to the ASX regarding this matter as and when substantive information becomes available.

Yours Sincerely



Peter Collery
Company Secretary

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