

## FOR IMMEDIATE RELEASE

### ZODIAC CAPITAL NOT PROCEEDING WITH BID FOR FINDLAY SECURITIES LIMITED

Sydney NSW, April 7, 2008 -- Zodiac Capital Limited (NSX: ZOD) advises that following the Opes Prime Stockbroking collapse the Company is of the view that this circumstance is responsible for the creation of a significant materially adverse change to the profitability or prospects of the Findlay Securities Limited ("Findlay") business.

Findlay has been acting as a corporate advisor and underwriter to Fairstar Resources Limited ("Fairstar") in a protracted hostile takeover bid of Golden West Resources Limited.

Fairstar has advised the market that it had provided 10 million of its Golden West Resources shares as a security for a loan facility through Opes Prime. It appears that these shares have been sold by ANZ Nominees through its security arrangements over Opes Prime's assets, as is also acknowledged by Fairstar, resulting in Fairstar's holding in its takeover target being reduced to approximately 23% and thereby rendering the success of the current takeover unlikely. This situation is further supported through coverage in the financial media.

In its Half Yearly Report and Accounts, released to the market on 29 February 2008, Findlay reported:

*"Underwriters (a subsidiary of Findlay) is the advisor to Fairstar Resources Ltd ("Fairstar") in its take-over bid for Golden West Resources Ltd (the "Bid"). This lengthy and fiercely contested take-over has involved a significant effort from the Group's corporate department. At 31 December 2007 the Group could not book fees on this transaction as the Bid was still in progress. It is anticipated that significant fees will be reported in the second half of this year."*

This anticipation of receipt of "significant fees" in the second half of the year, as referenced in the Findlay accounts, is in Zodiac Capital's view most unlikely to eventuate. As these "significant fees" included success fees believed to be several million dollars, Zodiac regards this matter as a serious and materially adverse effect on the Findlay business and as provided for under the Zodiac Offer Conditions of 28



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February 2008, represents an event that could not have been foreseen which triggers a precondition of the Zodiac advice of Bid of 28 February 2008.

Zodiac hereby advises that it will not be proceeding with the proposed Bid for Findlay.

The Company further advises that it does intend to maintain its current holding in Findlay and that it will review its options and intentions with regard to its Findlay investment during the normal course of business.

**About Zodiac Capital Limited:** Zodiac is an aggressive investment and transaction oriented business focused on wealth creation for its shareholders. The Company's business activities are focused on advanced development stage projects and opportunities that are suitable for future listing on recognised stock exchanges and may require further working capital, development assistance and/or management to realize their respective potential. The major Zodiac Capital investment focus is in the resource and energy market sectors; opportunities in China, the Asian Pacific region; and to a lesser degree within the financial services, communications and Internet market sectors.