21 April 2009

GENERAL ANNOUNCEMENT

This Announcement relates to the mining licence of the Company – MIN 5492 - located at Glenfine.

Differences of opinion did exist between the Directors of the Company and the landowners as to what amount was reasonable as the "compensation" required by the law in Victoria.

The Directors of this Company are pleased to record that today, 21 April 2009, in a mediation Hearing chaired by the Victorian State Mining Warden, both parties reached accord as to the terms of full and final settlement of Glenfine landowner compensation.

This Hearing opened at 10 a.m., broke for lunch, reconvened at 2 p.m. to conclude one hour later. The Chairman (The Mining Warden) is to be congratulated for his handling of this task.

The concerns of those representing the landowners appear to have been addressed in what has turned out to be the most appropriate forum for resolution.

The commercial importance of settlement to the Company is that the formal registration of such an agreement sits on the critical path for gold production from Glenfine. Settlement means that the series of procedures required by Government may now continue at the best pace of the Company, in conjunction with the Department of Primary Industries, or other agencies.

Settlement of this issue also allows the Directors to thoughtfully plan for the end-use of the site in concert with Heritage Victoria, who until now were unable to contribute in any way.

Shareholders are advised that the Heads of Agreement reached today is to be followed by the signing of a formal Agreement document on Monday next, at a meeting presided over by the State Mining Warden. Directors at present envisage no change to the agreed terms due to this necessary delay.

The Directors are now free to develop the next presentations to Government.

F.L.Hunt,

Chairman.