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SHAREHOLDER UPDATE

11 April 2011

CHAIRMAN'S AGM ADDRESS AND FURTHER BRIEFING

A copy of the Chairman's address at the AGM is attached.

The new website is now operational and in a few days we will upload the AGM presentations and the Social Mapping Survey Report on to it.

We received a very positive reaction to the update briefings provided by our Managing Director, David Williams and our Exploration Manager, Dr Mike Swift, at the AGM that we have decided to provide a further opportunity for those that missed them to hear them.

Ben Callanan of YBR Securities is organising this further briefing which will be held on Thursday 14 April 2011 at a time and location to be advised.

If you would like to attend please send an email to ben.callanan@ybrs.com.au

CHAIRMAN'S ADDRESS
AGM
5 April 2011

Ladies and Gentlemen, this is the Company's first Annual General Meeting and it has produced its first Annual Report which has been emailed to you.

It has been an eventful period, but I am pleased to say that we have emerged in good shape and ready to advance the Company to the next level.

The major effort of the Company during this period has been on capital raising to enable the exploration work on PPL 326 to proceed. The new Board and Management team joined the Company in March last year with the expectation that the Company would be listed within months and well-funded. Unfortunately the IPO had to be withdrawn in August 2010 due to the state of the market. We were not alone with that impact.

As a result we proceeded to restructure arrangements with the fees of the Chairman reduced by 50% and that of Non-Executive Directors by 25%. The Board also renegotiated the key Management contracts to reduce the cash burn and to weight the terms of engagement more to performance. An element of this will be dealt with later in the meeting when we consider the resolution on the overriding royalty to Dr Swift.

The Annual Report and the presentations you will hear from Mr Williams and Dr Swift after the meeting, outline in greater detail the events of the period which now leaves us in a very exciting and unique position.

However, there is still much to do. Further capital raising will be required to support this early exploration stage. The feedback received during the previous IPO process made it clear to the Board that we needed to change the structure and persona of the Company prior to relaunching an IPO (the Board is still committed to listing the Company at the appropriate time). Part of the process will be a new look website after the AGM and we are considering changing the name of the Company in the very near future. The Board has also determined to look at adding additional assets to its portfolio.

Over the past 6 months we have considerably de-risked PPL 326 and with the work programmed for 2011, subject to raising the necessary capital, we will be on the cusp of commencing drilling-indeed, a most exciting period.

I can assure you that the Board and the Management team remain very focused and committed to the Company and to increasing shareholder value.

I thank my fellow Directors and Management for their continued loyalty and support (including financial) during 2010 through the various trials and tribulations we faced. Without that devotion and conviction, we would not be as well placed as we are now.

I would also like to thank you the shareholders, old and new, for your support. I look forward to reporting to you next year on a very positive 2011.

Kay Philip
Chairman