

27 July 2007

The Companies Announcement Office
ASX Limited
Level 8 Exchange Plaza
2 The Esplanade
Perth WA 6000

Dear Sir/Madam,

RIGHTS ISSUE

The Directors are pleased to advise that on 24 July 2007 the Company's Non Renounceable Rights Issue closed with 32% of the eligible entitlement taken up.

The Company has received total acceptances for shares to be issued under the Rights Issue of 34,592,145 fully paid ordinary shares at an issue price of \$0.45 per share raising \$15,566,465.25.

It is anticipated that the allotment and issue of shares and the dispatch of holding statements will take place on or around Wednesday 1 August 2007.

The Directors are very pleased with the level of support received from all shareholders.

As previously announced and as detailed in the Rights Issue prospectus, Pareto Securities ASA, one of Scandinavia's leading stockbroking groups, has agreed to place the shortfall from the Rights Issue.

The shortfall comprises 74,346,897 shares at an issue price of \$0.45 per share to raise a further \$33,456,103.65, which will be placed by Pareto to its European and Norwegian institutional and other clients.

The Directors are also pleased to announce that LinQ Capital Limited has agreed to subscribe for 6,666,667 shares at an issue price of \$0.45 per share for a total consideration of \$3,000,000.15.

The shares were offered to LinQ by the Company under the terms of its Convertible Note as described in the Rights Issue prospectus.

The shares will be issued as soon as practicable to LinQ Capital Limited via a separate placement within the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Anthony Begovich', written in a cursive style.

ANTHONY BEGOVICH
Company Secretary