

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT13th August 2009**ASSAY RESULTS CONFIRM NICKEL SULPHIDES AT MT THIRSTY****Highlights**

Final assay results from the first diamond hole (MTDD008) have recently been received from the laboratory. These confirm strongly anomalous nickel concentrations associated with disseminated and stringer sulphides in several zones above the interpreted basal footwall contact.

Background

The discovery of primary nickel sulphide mineralisation in MTDD008 was first announced on 1st July 2009. This hole was designed to test a substantial electromagnetic (EM) anomaly beneath the Joint Venturers' Mt Thirsty cobalt-nickel-manganese oxide deposit. Mt Thirsty is located 20km north-northwest of Norseman, Western Australia (Figure 1).

The drill hole, collared at 372355E and 6447255N (AGD84 Zone 51) was initially orientated at 75° to the west, and based on the current geological interpretation the down hole intercepts are believed to be close to true width. Spot readings, using a Niton* hand held XRF device on selected pieces of core from 2cm to 5cm thick stringer veins of massive sulphide returned readings of approximately 1% nickel.

MTDD008 was drilled to 1,070m, the depth capacity of the drill rig, due to the continuing presence of sulphides. The aim was to intersect the lower basal footwall contact where the best concentration of nickel might be expected (eg. as at Kambalda).

A very thick sequence of originally olivine-rich, cumulate - textured ultramafics comprising at least three separate units was intersected. These rocks contain variable amounts of disseminated, vein and stringer-style sulphide mineralisation. The lowermost ultramafic unit is at least 770m thick, however the footwall contact was not reached in the drill hole due to likely thickening of the unit.

Assay Results

A number of zones of sulphide mineralisation were intersected down the hole, however the more attractive were intersected from 280m and 351m. These two zones assayed 0.30% and 0.24% Ni respectively over 9.45m and 6m down hole, which are believed to be close to true widths (refer Figure 2). Included within the lower zone is thin stringer mineralisation which assayed 0.90% Ni over 0.14m from 356.56m.

It is interpreted that these two zones may represent hanging wall - style mineralisation above the main ultramafic unit (+770m thick at Mt Thirsty), comparable to hanging wall zones in the Kambalda district. These sub-grade intersections could represent low grade lateral extremities of significant higher grade mineralisation, and are also positive indicators of the potential of the sequence to host high grade nickel sulphides at the lower (basal) footwall contact.

A thin massive sulphide stringer, which contained visible nickel sulphides near the lower contact of a Proterozoic-age dyke assayed 1.2% Ni, 0.6% Cu and 0.15% Co over 6cm from 759.25m. These sulphides may have been dragged upwards from a more significant sulphide accumulation at depth on the basal contact during later emplacement of the dyke.

Ultramafic xenoliths observed in the dyke also support the postulated origin of the sulphides. The higher associated Cu and Co values in this stringer imply a different nature to the other sulphide mineralisation intersected in the hole.

Although economic nickel sulphide mineralisation has not yet been intersected, the Joint Venturers' are very encouraged by the results to date from the drilling of MTDD008. In particular:

- Nickel sulphides and low grade Ni mineralisation have been identified throughout the sequence with the better zones intersected to date occurring in hanging wall positions, with potentially the most prospective basal contact zone remaining untested.
- Discovery of a very thick (+770m thick) ultramafic unit which is most probably the basal unit sitting on the footwall contact. Thick basal ultramafic units are important ingredients in many of the major nickel sulphide deposits in WA.
- Nickel sulphides in a Proterozoic-age dyke which may have been remobilised from a mineralised basal footwall contact at depth.

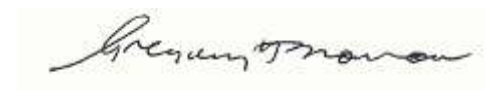
Potential exists for any mineralised basal footwall contact zone to extend up dip from the area of MTDD008 to much shallower depths over a prospective surface strike length of 1.8km within the joint venture tenement. The approximate position of this contact zone at surface has been identified from regional geological and geophysical data, and this contact will be an important focus for the Joint Venturers' nickel sulphide exploration activity in the near future.

Follow Up Program

A down hole electromagnetic (EM) survey has just been completed in MTDD008 and data is currently being processed. This survey will determine if there are any strongly conductive bodies (eg. large nickel sulphide accumulations) close to or beneath the bottom of the drill hole. If a positive response is obtained, consideration will be given to a wedging off or deepening the hole with a higher capacity drill rig.

Surface EM is also planned to test the 1.8km of the interpreted footwall contact zone of interest as referred to above. Any near-surface conductors found would be immediately tested with shallow drilling. A further 3.8km of potential footwall contact has been identified in other Joint Venture tenements 2km to the north and this will be evaluated in due course.

One diamond hole has recently been completed at the Woodcutters prospect 6km further to the WNW to test an EM target, and 200m of cumulate - textured ultramafics were intersected. A downhole EM survey has been conducted and results are pending.



Greg Solomon
Executive Chairman

**Note: Nickel grade estimates using a Niton XLT 592 portable XRF analyser were quoted in earlier announcements prior to receipt of proper laboratory assays.*

The interpretations and conclusions reached in this report are based on current geological theory and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for complete certainty. Any economic decisions that might be taken on the basis of interpretations or conclusions contained in this report will therefore carry an element of risk.

The information in this announcement, insofar as it relates to Mineral Exploration activities, is based on information compiled Michael J. Glasson and Robert N Smith, who are members of the Australian Institute of Geoscientists, both of whom have more than five years experience in the field of activity being reported on. Mr Glasson and Mr Smith are consultants. Mr Glasson and Mr Smith have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Glasson and Mr Smith consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

It should not be assumed that the reported Exploration Results will result, with further exploration, in the definition of a Mineral Resource.

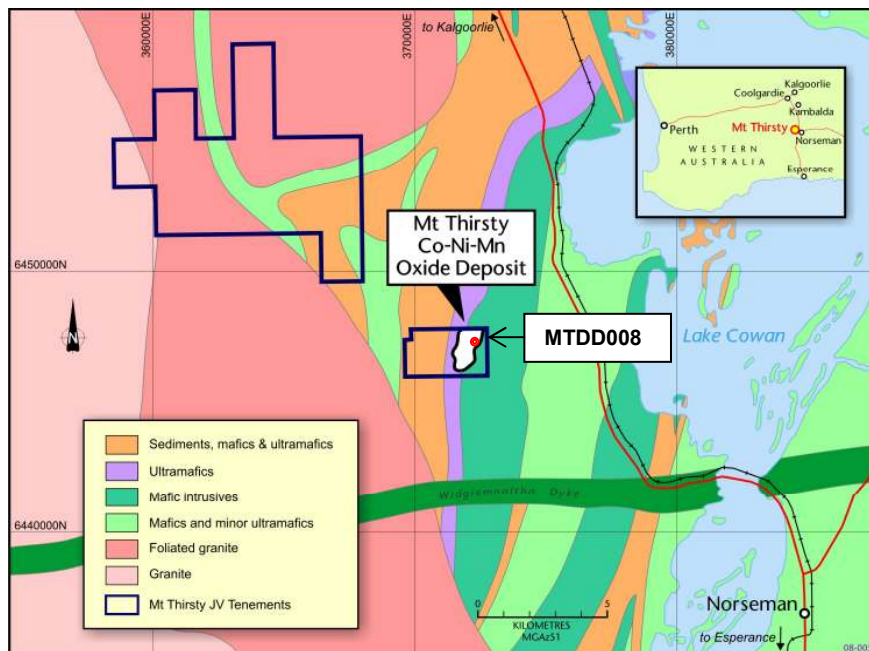


Figure 1: Location Plan MTDD008

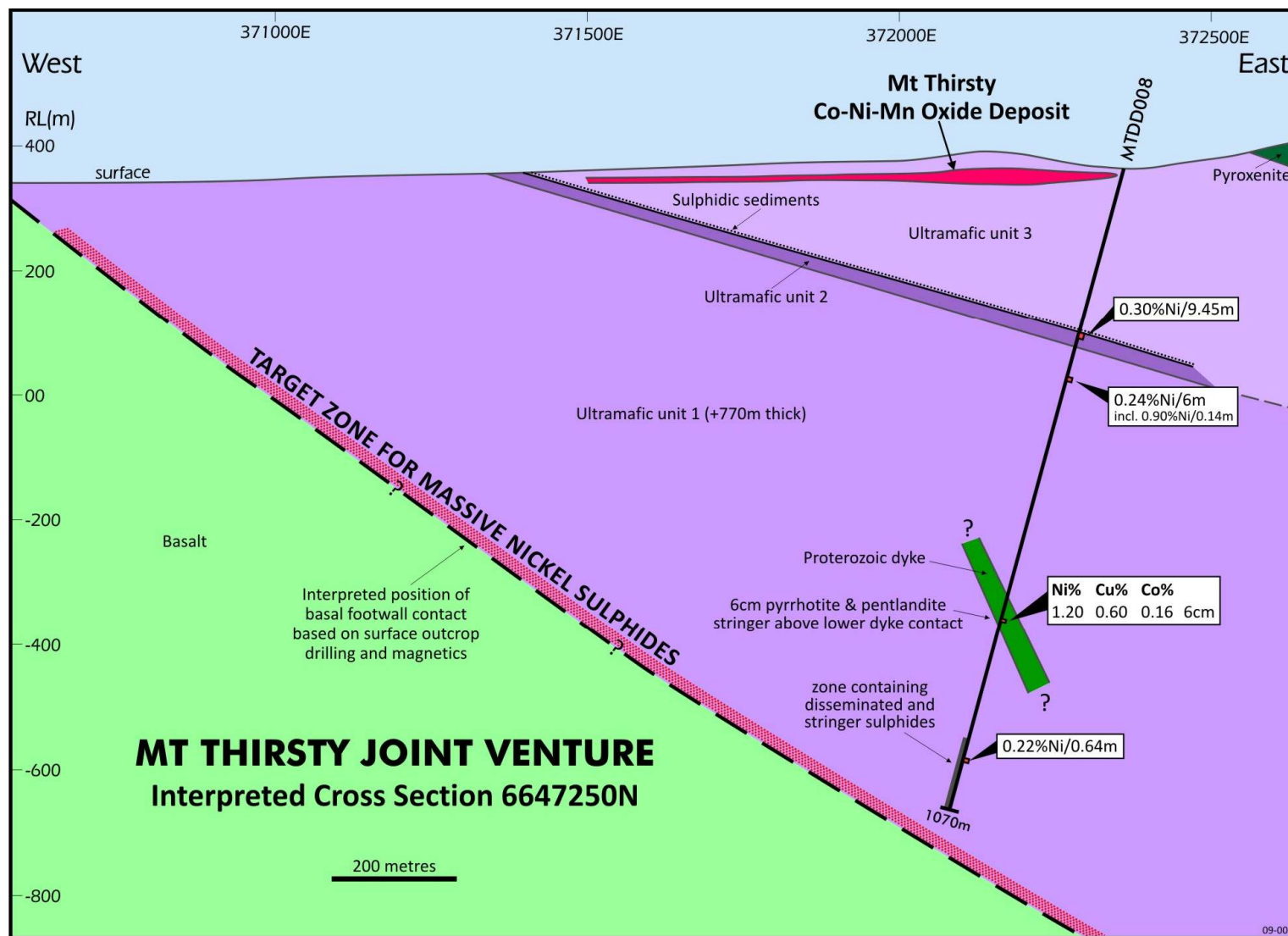


Figure 2: Interpreted east-west geological cross section through drill hole MTDD008, showing +0.2% Ni intersections and interpreted basal footwall target zone.