



CITYVIEW CORPORATION LIMITED
ABN 59 009 235 634

OFFER DOCUMENT

NON-RENOUNCEABLE ENTITLEMENTS ISSUE

1 New Share for every 1 Existing Share at 1.25 cents to raise up to \$6.2 million

The Entitlements Issue closes at 5.00pm on 5 December 2008

Fully underwritten by Pinnacle Capital Management Limited

IMPORTANT NOTICE

This document is not a prospectus. It does not contain all of the information that an investor would find in a prospectus or which may be required in order to make an informed investment decision regarding the New Shares offered by this document.

This document is important and should be read in its entirety. If you do not understand its contents or you are in doubt as to the course of action you should take, you should consult your stockbroker, accountant or other professional adviser without delay.

An investment in New Shares should be considered speculative.

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Key Statistics

Offer Price for New Shares	1.25 cents
Number of New Shares to be issued ¹	Up to 498,054,228
Entitlement	1 New Share for every 1 Existing Share held at 5.00pm (WST) on the Record Date
Entitlements Issue - Gross Proceeds ²	Up to \$6,225,677
Offer closes	5.00 pm (WST) on 5 December 2008

Key Dates

This Offer Document, which is prepared in accordance with the Corporations Act and ASX Listing Rules, is dated 21 November 2008.

The following are key dates relating to the offer that you need to be aware of. Please note that the key dates may be subject to change if required by ASX.

Activity	Date
Announcement of Entitlements Issue and lodge Appendix 3B	7 November 2008
Despatch of notices to Shareholders informing them of Entitlements Issue	10 November 2008
Shares trade on an “ex” Entitlement basis	12 November 2008
Record Date for Entitlement to participate in the Entitlements Issue	18 November 2008
Lodgement of section 708AA cleansing notice with ASX	21 November 2008
Offer Document and Entitlement and Acceptance Form despatched to Shareholders	21 November 2008

¹ Due to the rounding of Entitlements, the exact number of New Shares to be issued under the Entitlements Issue will not be known until completion of the Entitlements Issue.

² The Entitlements Issue is underwritten by the Underwriter. See section 1.6 for a summary of the Underwriting Agreement. If the Underwriting Agreement is terminated, the full amount of the Entitlements Issue may not be received, or the Entitlements Issue may not proceed.

Activity	Date
Closing Date for Receipt of Entitlement and Acceptance Form	5pm on 5 December 2008
Deferred settlement trading for New Shares commences	8 December 2008
ASX notified of undersubscriptions	9 December 2008
New Shares are allotted	12 December 2008
Holding Statements are despatched to Shareholders	15 December 2008
Normal ASX trading for New Shares commences	16 December 2008

These dates are indicative only and are subject to change. The Company reserves the right to amend this indicative timetable at any time and in particular, subject to the Corporations Act and ASX Listing Rules, to extend the latest date for receipt of Entitlement and Acceptance Forms, to accept late Entitlement and Acceptance Forms either generally or in particular cases, or to cancel the Entitlements Issue without prior notice.

Letter to Shareholders

21 November 2008

Dear Shareholder

On behalf of the Board of CityView, we are pleased to provide you with the Entitlement to participate in the pro-rata non-renounceable Entitlements Issue to issue up to 498,054,228 New Shares for up to \$6,225,677.

Details of the Offer

Under the Entitlements Issue, Eligible Shareholders of CityView have an Entitlement to acquire 1 New Share for every 1 Existing Share held at the Record Date at a price of 1.25 cents.

Shareholders should note that the Offer is non-renounceable. This means that your Entitlement to subscribe for New Shares under this Offer Document is not transferable and there will be no trading of your Entitlement on ASX

Following this letter, you will find details of the Offer and instructions on how to accept your Entitlement, as well as other important information for Shareholders.

Use of proceeds

The proceeds of the Entitlements Issue will be used to:

- Fund the Company's existing operations in West Africa; and
- Improve the Company's working capital position.

The Entitlements Issue is expected to raise approximately \$6.2 million. The Entitlements Issue is fully underwritten by Pinnacle Capital Management Limited. If the terms and conditions of the Underwriting Agreement are not satisfied, or a termination event occurs, the Underwriter may terminate its obligations.

All Shareholders with a registered address in Australia or New Zealand as at the Record Date are eligible to participate in the Entitlements Issue.

How to take Up the Offer

The number of New Shares to which an Eligible Shareholder is entitled is set out in the Entitlement and Acceptance Form which accompanies this Offer Document. Eligible Shareholders may accept their Entitlement in whole or in part.

It is important that you consider the Offer carefully. If you decide to accept your Entitlement (either in whole or in part), you must do so in accordance with the instructions set out on the accompanying Entitlement and Acceptance Form. Completed Entitlement and Acceptance Forms must be received at Computershare Investor Services Pty Ltd by 5.00pm (WST) on the Closing Date, together with a cheque or bank draft in Australian dollars for the amount being applied for.

Subject to the Corporations Act and the Listing Rules, the Company reserves the right in its absolute discretion, to extend the Entitlements Issue, close the Issue early or accept late applications either generally or in a particular case.

Acceptances must not exceed your Entitlement as shown on the Entitlement and Acceptance Form, although you may accept for all or only part of your Entitlement.

If you are unsure about any aspects of the Offer or its merits, we would encourage you to consult your financial adviser.

Yours sincerely

Mark Smyth
CEO and Director

1 Details of the Entitlements Issue

1.1 The Offer

The Company is making an Offer to Eligible Shareholders of up to approximately 500 million New Shares at an issue price of 1.25 cents for each New Share, by way of a pro-rata Non-Renounceable Entitlements Issue. The issue price is payable in full by Eligible Shareholders on acceptance of the Offer.

Each Eligible Shareholder is entitled to subscribe for 1 New Share for every 1 Existing Share held on the Record Date.

The number of New Shares to which you are entitled is shown on the accompanying Entitlement and Acceptance Form. Fractional entitlements to New Shares have been rounded up to the nearest whole number of New Shares.

There is no minimum subscription under the Offer.

In accordance with ASX Listing Rule 7.2, if the Underwriting Agreement does not take effect or is terminated for any reason prior to completion of the Entitlements Issue, the directors of the Company reserve the right to issue any shortfall from the Entitlements Issue at their discretion. The issue to make up the shortfall will be made within 3 months after the Closing Date.

1.2 Opening and Closing Dates

The Entitlements Issue will open for receipt of acceptances on 21 November 2008. The Closing Date and time for acceptances and payments is 5.00pm WST on 5 December, subject to the Company varying those dates in accordance with the Corporations Act, with the ASX Listing Rules and with the consent of the Underwriter if required.

1.3 Eligible Shareholders

To qualify for the Entitlements Issue, a Shareholder must:

- be registered as a Shareholder at the close of business on the Record Date; and
- have address in Australia or New Zealand recorded on the Share Registry as at the Record Date.

1.4 No Entitlements trading

The Offer is non-renounceable. This means that your Entitlement to subscribe for New Shares under this Offer Document is not transferable and there will be no trading of your Entitlement on ASX. Any Entitlements not taken up by an Eligible Shareholder will be taken up by the Underwriter, subject to the terms and conditions of the Underwriting Agreement.

1.5 Purpose of the Entitlements Issue

The purpose of the Entitlements Issue is to raise up to approximately \$6.2 million before transaction costs which will be used by the Company to fund the Company's existing operations in West Africa and to improve the Company's working capital position.

The funds of \$6,222,677 which will be raised from the Entitlements Issue will be allocated as follows:

- (i) \$435,000 will be allocated as payment of the underwriting fee for the Entitlements Issue;
- (ii) \$3,787,677 (US\$2.48m aprox) will be allocated to the Company's work programme; and
- (iii) the balance will be allocated for working capital.

Funds for the work programme will be allocated as follows:

- (i) US\$1 million will be allocated for capital expenditure and associated equipment for JORC drilling on Cachoeiras, including deposits for two rigs and ancillary operating and administration costs. The funds will also provide deposits for a third rig at Longonjo and a fourth rig at Chipindo;
- (ii) US\$1 million will be allocated as deposits for the acquisition of plant and equipment for Nhefo and ancillary operating and administration costs; and
- (iii) Balance will be allocated:
 - a. to Endiama as a part payment for Government licence fees due for Nhefo and Luachisse alluvial and Kimberlite licences; and
 - b. to the Mines Department and other government agencies in Angola for mining / exploration licence renewals or extensions.

The approximate US\$2.48 million funding will place the Company's projects in good standing so that venture capital funding can take place. The projects have to remain in sufficient good order to attract venture capital funds.

The Board considers that it is in the best interests of the Company as a whole to raise these funds through the Entitlements Issue as the funds are required to sustain the ongoing operations of the Company.

1.6 Underwriting

The Company and the Underwriter, Pinnacle Capital Management Limited, have entered into the Underwriting Agreement, under which the Underwriter has agreed to act as the sole underwriter of the Offer. The Underwriter does not hold any interest in the Company.

Under the Underwriting Agreement, the Company must pay the Underwriter a fee of \$435,000.

The Underwriting Agreement contains various representations and warranties that are customary for agreements of this type, including representations and warranties made by the Company and the Underwriter. Further detail regarding the representations and warranties made by the Company is set out in section 5.1 below.

In addition, the Underwriting Agreement contains the usual indemnities which are given by the Company in favour of the Underwriter and there are various obligations on the Company regarding its conduct in relation to the Offer, including that it must not be involved in any activity which breaches the Underwriting Agreement, its constitution, the Corporations Act, the ASX Listing Rules and any other applicable laws.

The Underwriting Agreement also contains provisions whereby the Underwriter may terminate its obligations under the Underwriting Agreement upon the occurrence of certain events. The circumstances in which the Underwriter may terminate are set out in section 5.1 below.

1.7 Ranking of New Shares

The New Shares will be issued fully paid and will rank equally in all respects with the Company's Existing Shares.

1.8 Allotment of New Shares

New Shares under the Entitlements Issue are expected to be allotted by 15 December 2008 at the latest (subject to variation at the discretion of the Company).

1.9 ASX quotation

Application will be made to ASX within seven days after the date of this Offer Document for official quotation of New Shares issued under this Offer Document. If permission for quotation is not granted by ASX within (3) months after the date of this Offer Document (or such period as ASX allow), the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Offer Document.

1.10 Application Monies

Until New Shares are issued, the Company will hold the Application Monies on trust in bank accounts in Australia. The accounts will be established and kept solely for the purpose of depositing Application Monies and retaining those funds for as long as required under the Corporations Act.

Any interest accrued on Application Monies will be retained by the Company and will not be paid to the relevant Eligible Shareholder including if the Entitlements Issue is cancelled or withdrawn.

1.11 Market Prices for Shares on ASX

The lowest and highest market prices of Shares on ASX during the 4 weeks immediately preceding the date of announcement of the Entitlements Issue was 1.0c and 2.0c respectively.

The volume weighted average price for Shares on the ASX over the 5 trading days preceding the date of announcement of the Entitlements Issue was 1.45c. The Offer Price therefore represents a discount of approximately 14% to this price.

1.12 Foreign Shareholders

The Offer is not being extended to any shareholders whose registered address is outside Australia or New Zealand. The Company is of the view that it is unreasonable to make the Offer to shareholders outside Australia and New Zealand, having regard to:

- The number of those shareholders; and
- The cost of complying with overseas legal requirements.

This Offer Document does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer other than for shareholders in Australia and New Zealand. The Company is not required to make offers under the Offer Document to shareholders domiciled outside Australia or New Zealand. Where the country's securities code or legislation prohibits or restricts in any way the making of the offers contemplated by the Offer Document, the Offer Document is provided for information purposes only.

1.13 Taxation Implications

The Directors do not consider that it is appropriate to give Shareholders advice regarding the taxation consequences of subscribing for Securities under this Offer Document.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders. As a result, Shareholders should consult their professional tax adviser in connection with subscribing for Securities under this Offer Document.

1.14 Risks

There are a number of risks associated with an investment in the Company which may affect its financial performance, financial position, cash flows, distributions, growth prospects and Share price. The key risk factors have been summarised in section 4.

1.15 Regular reporting and disclosure

The Company is a disclosing entity for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations under the Corporations Act and ASX Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purposes of ASX making that information available to the market. In particular, the Company has an obligation (subject to certain limited exceptions) to notify ASX once it is, or becomes, aware of information

concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Company's securities. All announcements made by the Company are available on the Company's website www.cityviewcorp.com, or from ASX or its website www.asx.com.au.

Additionally, the Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a directors' statement and report, and an audit review or report. These reports are released to ASX and published on the Company and ASX websites.

1.16 Entitlements and liabilities attaching to New Shares

New Shares issued pursuant to this Offer Document will be fully paid ordinary shares in the capital of the Company and will rank equally with the Existing Shares including for any dividend issued after the date of this Offer Document.

The rights and liabilities attaching to Shares are set out in the Company's Constitution and are regulated by the Corporations Act, the general law, the Listing Rules and the ASTC Settlement Rules. The Constitution may only be varied by a special resolution passed by at least 75% of Shareholders present (and entitled to vote).

1.17 Disclaimer

No person is authorised to give any information or make any representation in connection with the Entitlements Issue or Offer described in this Offer Document, which is not contained in this Offer Document. Any information or representation not contained in this Offer Document may not be relied on as having been authorised by the Company in connection with the Entitlements Issue.

1.18 Financial amounts

Money as expressed in this Offer Document is in Australian dollars unless otherwise indicated. Any discrepancies between totals in tables and sums of components in tables in this Offer Document and between those figures and figures referred to in other parts of this document are due to rounding.

2 What You Need to Do

2.1 Acceptance of your Entitlement in full

Should you wish to accept all of your Entitlement to New Shares, then the Entitlement and Acceptance Form which accompanies this Offer Document must be completed in accordance with the instructions referred to in this Offer Document and set out on the Entitlement and Acceptance Form. Please read the instructions carefully.

Please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided and attach a cheque for the amount indicated on the Entitlement and Acceptance Form.

Completed Entitlement and Acceptance Forms must be accompanied by a cheque in Australian dollars, crossed “Not negotiable” and made payable to “CityView Corporation Limited Entitlements Issue” and lodged at any time after the issue of this Offer Document and on or before the Closing Date at the Company’s share registry (by delivery or by post) at:

By delivery Computershare Investor Services Pty Ltd
Level 2, Reserve Bank Building
45 St George’s Terrace
Perth WA 6000

By post Computershare Investor Services Pty Ltd
Locked Bag 2508
Perth WA 6001

2.2 If you wish to take up part of your Entitlement only

Should you wish to only take up part of your entitlement, then applications for New Shares under this Offer Document must be made on the Entitlement and Acceptance Form which accompanies this Offer Document in accordance with the instructions referred to in this Offer Document and on the Entitlement and Acceptance Form. Please read the instructions carefully.

Please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided, including the number of New Shares you wish to accept and the amount payable (calculated at 1.25 cents per New Share accepted), and attach a cheque for the appropriate Application Monies.

Completed Entitlement and Acceptance Forms must be accompanied by a cheque in Australian dollars, crossed “Not negotiable” and made payable to “CityView Corporation Limited Entitlements Issue” and lodged at any time after the issue of this Offer Document and on or before the Closing Date at the Company’s share registry (by delivery or by post) at:

By delivery Computershare Investor Services Pty Ltd
Level 2, Reserve Bank Building
45 St George’s Terrace
Perth WA 6000

By post Computershare Investor Services Pty Ltd
Locked Bag 2508
Perth WA 6001

2.3 If you wish to allow all of your Entitlement to lapse

If you do not wish to accept any part of your Entitlement, do not take any further action and the Entitlement will lapse. You will receive no payment for your lapsed Entitlement. You cannot sell or transfer your Entitlement to another person. Your holding of existing Shares will, however, be diluted because the issue of New Shares will increase the total number of Shares on issue.

2.4 Enquiries concerning your Entitlement

If you have any queries concerning your Entitlement please contact:

Computershare Investor Services Pty Ltd
Level 2, Reserve Bank Building
45 St George’s Terrace
Perth WA 6000

Telephone: 1300 360 301

2.5 Payment

The Offer Price of 1.25 cents per New Share is payable in full on exercise of your Entitlement. For all Australia and New Zealand Eligible Shareholders payments must be received by 5.00pm (Perth time) on 5 December 2008 (or such other date as may be determined by the Company).

Shareholders should be aware of the time required to process payment by cheque, electronic funds transfer and BPAY® in choosing the appropriate Application and payment method.

- Payment will only be accepted in Australian currency and must be by cheque, money order or bank draft drawn on an Australian financial institution, made payable to “CityView Corporation Limited Entitlements Issue” and crossed “Not Negotiable”, or
- through the BPAY® facility according to the instructions set out on the Entitlement and Acceptance Form.

Cash will not be accepted. Receipts for payment will not be issued. If you provide insufficient funds to meet the Application Monies due to take up all or part of your Entitlement, you may be taken by the Company to have applied for such lower number of New Shares as your cleared Application Monies will pay for, or your Application may be rejected.

Australian Eligible Shareholders may pay through BPAY®

Payment by BPAY® should be made in accordance with the instructions set out in the Entitlement and Acceptance Form using the reference number shown on that Form and must be received by Computershare by no later than 5.00pm (Perth time) on 5 December 2008 (or such other date as may be determined by the Company). Applicants should be aware that their own financial institution may implement earlier cut-off times with regards to electronic payment. Applicants should therefore take this into consideration when making payment. It is the responsibility of the Applicant to ensure that funds submitted through BPAY® are received by this time.

The reference number is used to identify your holding. If you have multiple holdings you will also have multiple reference numbers. You must use the reference number shown on each Entitlement and Acceptance Form to pay for each holding separately. If you pay by BPAY® and do not pay for your full Entitlement, your remaining Entitlements will lapse.

If you make your payment by BPAY® you do not need to lodge the Entitlement and Acceptance Form.

Your completed Entitlement and Acceptance Form or BPAY® acceptance, once sent to Computershare, cannot be withdrawn.

3 Effect of the Offer

The 1 for 1 Entitlements Issue will result in a 100% increase to the Company's existing securities from 498,054,228 to 996,108,456. Below is information on the effect that the issue of New Shares may have on the control of CityView and the consequences of that effect.

As the Entitlements Issue is fully underwritten by Pinnacle Capital Management Limited, if all eligible shareholders take up their entitlements under the Entitlements Issue, then the Underwriters will not be issued with any New Shares. As at today's date, Pinnacle Capital Management Limited does not hold any shares or options in the capital of CityView.

The potential effect the issue of the New Shares under the Entitlements Issue will have on the control on CityView is as follows:

- (a) If all eligible shareholders take up their entitlements under the Entitlements Issue, then the Entitlements Issue will have no significant effect on the control of CityView.
- (b) If particular eligible shareholders do not take up all of their entitlements under the Entitlements Issue, then the shareholding interests of those eligible shareholders in CityView will be diluted.
- (c) The proportional interests of shareholders with registered addresses outside Australia and New Zealand may be diluted because (unless CityView determines otherwise) such shareholders are not entitled to participate in the Entitlements Issue.
- (d) Although the issue of New Shares to the Underwriters under the Entitlements Issue may increase the shareholding interest of the Underwriters in CityView, it is not expected to have any material effect on the control of CityView.

Effect on directors of the Company

Two directors have relevant interests in the Company as follows:

- Mark Smyth – beneficial holding in 1,050,426 shares through the Smyth Superannuation Fund and 5,210,086 options; and
- Robert Brothers – 3,000,000 options.

Mark Smyth will be entitled to participate in the Entitlements Issue and intends to fully take up his entitlement through the Smyth Superannuation Fund.

4 Risk Factors

A decision to invest in CityView is a decision which is subject to the same type of risks which are ordinarily associated with purchasing company shares in ASX listed companies. The brief summary of risk factors set out below is not exhaustive.

Eligible Shareholders should consider these risks carefully and, if they are in any doubt, should consult their stockbroker or other professional adviser.

Economic risks

(1) Share market

Share market conditions may affect the price at which the Company's securities trade regardless of operating performance. Share market conditions are affected by many factors, such as:

- General economic outlook;
- Movements in, or outlook in, interest rates and inflation rates;
- Currency fluctuations;
- Commodity prices;
- Changes in investor sentiment towards particular market sectors; and
- The demand for, and supply of, capital.

Investors should recognise that once the securities are quoted by ASX, the price of the securities may fall as well as rise. Many factors will affect the price of the securities including local and international stock markets, movements in interest rates, economic conditions and investor sentiment generally. In addition, the commencement of, or escalation in, any war, armed conflict, hostilities between nations, civil unrest or terrorist activities may affect the price of the Company's securities.

Investors should be aware that the potential for fluctuations in the price of securities is significant at the present time due to the unprecedented volatility of local and international stock markets following the global stock market collapse in October 2008.

(2) Commodity prices

Commodity prices are influenced by physical and investment demand for those commodities. Fluctuations in commodity prices may influence individual projects in which the Company has an interest.

(3) Inflationary and Other Economic Pressure

Currently, the Company is not generating revenue from its operations. Future revenues, if any, in this segment are governed, in part primarily by worldwide commodity pricing. No immediate effect in respect to inflation and changes on prices is expected. However, inflationary pressures affect the Company's exploration and development expenditure, which is primarily incurred in U.S. dollars. The director's estimation of inflation is considered in regards to the general state of the world economy. This exposure to inflationary pressure is dependent on the mix of goods and services provided to the Company by suppliers. At this stage the Company is unable to quantify the mix of inflationary pressures from different sources that will affect the supply of goods and services to the Company.

Current world economic conditions are unstable following the stock market collapse and fears of a global recession. The Company has experienced a general downgrade in the value of its assets as a result of the stock market collapse and consequent poor market conditions.

Taxation and government regulations

Changes in taxation and government legislation in a range of areas (for example, Corporations Act, accounting standards and taxation law) can have a significant influence on the outlook for companies and the returns to investors.

Future capital requirements

The Company's growth through expansion of its current business will require substantial expenditures. There can be no guarantees that the funds raised through this Offer Document will be sufficient to successfully achieve all the objectives of the Company's overall business strategy. However, the Company will have sufficient additional working capital to operate as a going concern for a reasonable period following completion of the Entitlements Issue and completion of the proposed uses or projects to which the funds raised from the issue are allocated.

If the Company is unable to use debt or equity to fund expansion after the substantial exhaustion of the net proceeds of the Offer, there can be no assurance that the Company will have sufficient capital resources for that purpose, or other purposes, or that it will be able to obtain additional resources on terms acceptable to the Company or at all.

Any additional equity financing may be dilutive to the Company's existing Shareholders and any debt financing if available, may involve restrictive covenants, which limit the Company's operations and business strategy. The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse affect on the Company's activities.

Should the Company be successful in identifying a suitable project, further funds may be required to acquire an interest or explore the project.

Reliance on key personnel

The Company is reliant on its management. The loss of one or more of these individuals could adversely affect the Company. In addition, the Company's ability to manage growth effectively will require it to continue to implement and improve its management systems and to recruit and train new employees and consultants. Although the Company expects to be able to do so in the future, there can be no assurance that the Company will be able to attract and retain skilled and experienced personnel and consultants.

Joint venture parties, contractors and agents

The Directors are unable to predict the risk of financial failure or default by a participant in any joint venture to which the Company may become a party; or insolvency or other managerial failure by any of the contractors used by the Company in any of its activities; or insolvency or other managerial failure by any of the other service providers used by the Company for any activity.

Litigation Risk

Current, threatened and future litigation may adversely affect the Company's financial position and operations if the Company is required to defend or institute legal proceedings in the course of its business operations.

The Company is not involved in any current litigation. The Company is currently involved in negotiations for the purchase of an oil refinery. Negotiations are continuing and the relevant parties are nearing final documentation, subject to on site equipment inspection and approval of Government departments on the inspection reports. Montaque Capital Partners previously threatened to make a claim against the Company for non-payment of an alleged commission to it from the Company. Montaque Capital Partners has offered to compromise its asserted claim for payment of \$500,000. While the Company has not accepted this proposal (or the merits of any potential claim), the Company considers that the amount of \$500,000 represents the upper limit of any compromise that it may agree to reach with Montaque Capital Partners.

Environmental management

The Company's operations are and will be subject to environmental regulation. Environmental regulations are likely to evolve in a manner that will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects. Environmental regulations could impact on the viability of the Company's projects. The Company may become subject to liability for pollution or other hazards against which it has not insured or cannot insure, including those in respect of past mining or other activities for which it was not responsible.

In particular, the presence of landmines in Angola has the potential to affect the Company's operations as movement is often restricted in areas where landmines are concentrated or are being removed, in addition to the risk of injury.

Foreign operations risk

The Company's resource operations and assets are located and carried out in foreign jurisdictions. The Company is also proposing to source new projects in overseas jurisdictions. As a result, the Company is subject to political, economic and other uncertainties, including but not limited to, changes in energy policies or the personnel administering them, nationalization or expropriation of property, cancellation or modification of contractual rights, foreign exchange restrictions, currency fluctuations, royalty and tax increases and other risks arising out of foreign governmental sovereignty over the areas in which the Company's operations are conducted.

The Company's operations in Angola may be affected by changing political conditions and changes to laws and mining policies. The effects of these factors cannot be accurately predicted and developments may impede the operation or development of a project and even render it uneconomic.

Exploration, development and processing risks

Exploration and project development by their nature contain elements of significant risk. Ultimate and continuous success of these activities is dependent on many factors such as:

- the discovery and/or acquisition of economically recoverable resources;
- successful conclusions to bankable feasibility studies;
- access to adequate capital for project development;
- design and construction of efficient processing facilities within capital expenditure budgets;
- securing and maintaining title;
- obtaining consents and approvals necessary for the conduct of exploration and production;
- access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants; and
- adverse weather conditions over a prolonged period can adversely affect exploration and mining operations and the timing of revenues.

Whether or not income will result from development of tenements depends on the successful establishment of operations. Factors including costs, consistency and reliability of ore grades and commodity prices affect successful project development and production.

The mining industry has become subject to increasing environmental responsibility and liability. The potential for liability is an ever present risk. The use and disposal of chemicals in these industries is under constant legislative scrutiny and regulation.

Operational and technical risks

The current and future operations of the Company, including exploration, appraisal and possible production activities may be affected by a range of factors, including:

- geological conditions;
- limitations on activities due to seasonal weather patterns and severe storm activity;
- alterations to joint venture programs and budgets;
- unanticipated operational and technical difficulties encountered in survey, drilling and production activities;
- electrical and mechanical failure of operating plant and equipment, industrial and environmental accidents, industrial disputes and other force majeure events;
- unavailability of aircraft or drilling equipment to undertake airborne surveys and other geological and geophysical investigations;
- unavailability of shipping load space to transport concentrates to overseas buyers;
- the supply and cost of skilled labour;
- unexpected shortages or increases in the cost of consumables, diesel fuel, spare parts, plant and equipment; and
- prevention or restriction of access by reason of political unrest, outbreak of hostilities and inability to obtain consents or approvals.

Resource estimates

Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates which were valid when made may change significantly when new information becomes available. In addition, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate.

5 Additional Information

5.1 Underwriting Agreement

Pinnacle Capital Management Limited has agreed to underwrite the Offer in accordance with the terms and conditions of the Underwriting Agreement.

The Underwriter will be paid by the Company an underwriting fee of \$435,000. The Company must pay the Underwriter's reasonable costs and expenses of underwriting the issue.

The Underwriter is required to subscribe for any Shares not subscribed for pursuant to this Offer Document. The Underwriting Agreement provides for the appointment of sub-underwriters. The Underwriter's obligations to subscribe for the Shortfall Shares is subject to:

- (a) the lodgement of this Offer Document and Section 708AA Notice with ASX on or before the Announcement Date;
- (b) compliance by the Company with its obligations under the Underwriting Agreement, including that it has not breached any warranties or representations;
- (c) the Company failing to receive valid applications for all of the Underwritten Securities on or before the Closing Date; and
- (d) receipt of notice from the Company regarding the number of Shortfall Shares, accompanied by a valid Certificate.

The Company provides a number of warranties and representations to the Underwriter under the terms of the Underwriting Agreement. In particular, the Company represents and warrants that:

- (a) the due diligence results and verification material are correct;
- (b) the Corporations Act will be complied with in relation to the Section 708AA Notice and this Offer Document;
- (c) this Offer Document and the Section 708AA Notice will not contain any material statement which is misleading or deceptive or omit any material information;
- (d) there is no threatened litigation against the Company or any event of insolvency;
- (e) the Company has full corporate authority and can execute and carry out the Underwriting Agreement without breach;
- (f) the contents of each Certificate is true and correct;
- (g) all information provided to the Underwriter is correct;
- (h) that Company has complied with all applicable law and its constitution;

- (i) the Company will not enter into any agreement which may have a material adverse effect on the Company's business, and that the Company is not aware of any grounds for rescission;
- (j) there is no unpaid amount in relation to any shares issued by the Company and all shares issued under the Offer will rank equally in all respects with current shares;
- (k) it will keep the Underwriter informed of all material discussions with ASX; and
- (l) the Company's accounts present a true and fair view of the financial position of the Company and the register of members is properly kept.

The Underwriter may terminate its obligations to satisfy a shortfall if any of the termination events specified in the Underwriting Agreement occur. A list of termination events provided in the Underwriting Agreement is as follows:

- (a) **(No Official Quotation)**: Official Quotation has not been granted by the Shortfall Notice Deadline Date or, having been granted, is subsequently withdrawn, withheld or qualified; or
- (b) **(Supplementary Notice)**: the Company fails to lodge a Supplementary Notice in a form acceptable to the Underwriter in circumstances where the Underwriter believes that the Section 708AA Notice is defective;
- (c) **(Restriction on allotment)**: the Company is prevented from allotting the Entitlements Shares within the time required by this Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;
- (d) **(Takeovers Panel)**: the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, or an application for such a declaration is made to the Takeovers Panel and the Takeovers Panel decides to commence proceedings in respect of that application;
- (e) **(Hostilities)**: there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of this agreement involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, the United States of America, India, Pakistan, or the Peoples Republic of China, Israel or any member of the European Union, or a terrorist act is perpetrated on any of those countries or any diplomatic military, commercial or political establishment of any of those countries anywhere in the world and, in the reasonable opinion of the Underwriter reached in good faith, the event is likely to have a Material Adverse Effect; or
- (f) **(Authorisation)** any authorisation which is material to anything referred to in the Offer Document is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter; and

- (g) **(Termination Events)**: if any of the following events occurs (provided the event is likely to have a Material Adverse Effect or give rise to liability for the Underwriter under the Corporations Act):
- i. **(Default)**: default or breach by the Company under the Underwriting Agreement of any material terms, condition, covenant or undertaking; or
 - ii. **(Incorrect or untrue representation)**: any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect or in the opinion of the Underwriter is unlikely to become untrue or incorrect; or
 - iii. **(Contravention of constitution or Act)**: a contravention by the Company of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX; or
 - iv. **(Adverse change)**: in the Underwriter's opinion, an event occurs which gives rise to a Material Adverse Effect;
 - v. **(Public statements)**: without the prior approval of the Underwriter a public statement is made by the Company in relation to the Offer, the Issue or the Offer Document, unless required by law; or
 - vi. **(Change in Act or policy)**: there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy; or
 - vii. **(Suspension of debt payments)**: the Company suspends payment of its debts generally; or
 - viii. **(Judgment against Company)**: a judgment in an amount exceeding \$100,000 is obtained against the Company and is not set aside or satisfied within 7 days; or
 - ix. **(Litigation)**: litigation, arbitration, administrative or industrial proceedings are after the date of this Agreement commenced or threatened against the Company, other than any claims foreshadowed in the Offer Document; or
 - x. **(Board and senior management composition)**: there is a change in the composition of the Board of the Company before Completion without the prior written consent of the Underwriter; or
 - xi. **(Indictable offence)**: a director or senior manager of the Company is charged with an indictable offence; or

- xii. **(Change in shareholdings)**: there is a material change in the major or controlling shareholdings of the Company or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to the Company; or
- xiii. **(Timetable)**: there is a delay in any specified date in the Timetable which is greater than 10 Business Days; or
- xiv. **(Force Majeure)**: a Force Majeure affecting the Company's business or any obligation under the Agreement occurs and continues for more than 7 Business Days; or
- xv. **(Certain resolutions passed)**: a relevant company passes or takes any steps to pass a resolution under section 254N, section 257A or section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter; or
- xvi. **(Capital Structure)**: the Company alters its capital structure in any manner not contemplated expressly by the Offer Document; or
- xvii. **(Market Conditions)**: a suspension or material limitation in trading generally on ASX or NASDAQ occurs or, in the Underwriter's opinion, any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of any of Angola, Australia, Japan, the United Kingdom, the United States of America or other international financial markets; or
- xviii. **(Suspension)**: the Company is removed from the official list or the Shares become suspended from Official Quotation and that suspension is not lifted within 48 hours following such suspension, unless the suspension is at the request of the Company.
- xix. **(Share price)**: If, during the period from the Opening Date until the second Business Day before the Closing Date, the Middle Market Closing Price of the Shares as quoted on ASX shall vary by more than plus or minus 10% in any day or if the Middle Market Closing Price of the Shares shall drop by more than 15% from the Middle Market Closing Price on ASX of the Shares on the Opening Date.

5.2 Withdrawal of Entitlements Issue

The Directors reserve their right to withdraw all or part of the Entitlements Issue at any time prior to the issue of New Shares, in which case CityView will refund Application Monies in accordance with the Corporations Act without payment of interest.

6 Glossary

Applicant	An Eligible Shareholder who applies for New Shares under this Offer Document
Application	An application for a specified number of New Shares by an Applicant under this Offer Document
Application Monies	Funds accompanying a completed Application and Entitlement Form
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited ABN 98 008 624 691 or the financial market operated by it, as the context requires
ASX Listing Rules	The listing rules of ASX
Board	The Directors acting as a board of the Company
Certificate	The letter sent to the Underwriter signed by the Company regarding the status of the Underwriting Agreement
CityView	CityView Corporation Limited (ABN 59 009 235 634)
Cleansing Notice	The notice provided to the ASX on 21 November 2008 in compliance with section 708AA(2)(f) of the Corporations Act.
Closing Date	The date on which the Offer closes, intended to be 5 December 2008
Company	CityView Corporation Limited (ABN 59 009 235 634)
Corporations Act	Corporations Act 2001 (Cth)
Directors	The Directors of the Company
Eligible Shareholder	As defined in Section 1.3
Entitlement	The number of New Shares each Eligible Shareholder is offered under the Offer as designated on their personalised Entitlement and Acceptance Form
Entitlement and Acceptance Form	The application form which is included in or accompanies this Offer Document
Existing Shares	Shares on issue at the Record Date
Material Adverse Effect	A material adverse effect on the outcome of the Offer, or the subsequent market for the Entitlements Shares, or on the assets, condition, trading or financial position, performance, profits and losses, results, prospects, business, operations or tax position of the Company
New Share	A Share offered and issued under this Offer Document, the terms and conditions of which are set out in this Offer Document
Non-Eligible Foreign Shareholder	A Shareholder with an address in the Company register of Shareholders outside Australia and New Zealand, unless the Company is satisfied that it is not precluded from lawfully issuing New Shares to that Shareholder either unconditionally or after compliance with conditions which the Board in its sole discretion regards as acceptable and not unduly onerous

Offer	The offer of New Shares under this Offer Document
Offer Period	21 November 2008 to 5 December2008
Offer Price	The price payable for one new Share under this Offer Document or 1.25 cents
Offer Document	This Offer Document
Record Date	18 November 2008
Entitlements	The rights to subscribe for new shares pursuant to this Offer Document
Entitlements Issue	The entitlement to New Shares available for issue under this Offer Document
Share	A fully paid ordinary share in the capital of the Company
Shareholder	A holder of Shares as recorded on the Share Registry
Share Registry	Computershare Investor Services Pty Ltd ABN 48 078 279 277
Underwriter	Pinnacle Capital Management Limited, company number 5819269
Underwriting Agreement	The underwriting agreement between the Company and the Underwriter dated 6 November 2008

Corporate directory

CityView Corporation Limited
Level 9, 28 The Esplanade
PERTH WA 6000

Directors

Manuel Africano (Chairman)
Mark Smyth (CEO)
Robert Brothers
Philip Rand
Wayne Reid

Company Secretary

Paul Williams

Location of Share Registry

Share Registry - Australia
Computershare Investor Services Pty Ltd
Level 2, 45 St Georges Terrace
PERTH WA 6000

Legal adviser

Corrs Chambers Westgarth
Woodside Plaza
240 St Georges Terrace
PERTH WA 6000

Underwriters

Pinnacle Capital Management Limited
Prince Consort House
Albert Embankment
London SE1 7TJ, United Kingdom