



Company Announcements Office
Australian Securities Exchange
Level 4, Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

28 August 2009

Dear Sirs,

Toho not to subscribe for Additional Shares

The Company has been advised by Toho Zinc Co., Ltd that Toho will not exercise its right to subscribe for shares pursuant to the Toho Placement Agreement.

The total cash amount being raised under the Company's recapitalisation initiatives announced on 8 July 2009 will therefore be \$20.54 million through the issue of 169,914,757 shares under the recent Share Purchase Plan and 35,500,000 shares under institutional placements. These issues are at 10 cents per share and are conditional on shareholder approval at a General Meeting to be held on Monday, 31 August 2009.

Following these allotments, Toho's percentage shareholding in the Company will be 23.1%.

Yours faithfully

Stephen J Lonergan
Company Secretary