

BY FACSIMILE 1300 135 638

Level 36, Grosvenor Place  
225 George Street  
Sydney NSW 2000  
Australia

# Blake Dawson

Company Announcements Office  
Australian Stock Exchange Limited  
Level 4  
20 Bridge Street  
SYDNEY NSW 2000

T 61 2 9258 6000  
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DX 355 Sydney

Locked Bag No 6  
Grosvenor Place  
Sydney NSW 2000  
Australia

[www.blakedawson.com](http://www.blakedawson.com)

**Harbinger Capital Partners Master Fund I, Ltd and Harbinger Capital Partners Special Situations Fund, LP  
Notice of ceasing to be a substantial holder for Compass Resources Limited (ASX:CMR)**

**7 July 2009**

We act for Harbinger Capital Partners Master Fund I, Ltd and Harbinger Capital Partners Special Situations Fund, LP (**Harbinger**).

Our reference  
BCM RZN EHO  
02 1383 7928

On behalf of Harbinger we enclose a copy of the notice of ceasing to be a substantial holder in relation to Compass Resources Limited.

Partner  
Bruce Macdonald  
T 61 2 9258 6873  
[bruce.macdonald@blakedawson.com](mailto:bruce.macdonald@blakedawson.com)

Yours faithfully

Contact  
Elizabeth Hourigan  
T 61 2 9258 6716  
[elizabeth.hourigan@blakedawson.com](mailto:elizabeth.hourigan@blakedawson.com)



**Form 605**  
Corporations Act 2001  
Section 671B

**Notice of ceasing to be a substantial holder**

To Company Name/Scheme Compass Resources Limited (Subject to Deed of Company Arrangement) (Receivers and Managers Appointed)

ACN/ARSN 010 536 820

**1. Details of substantial holder (1)**

Name Harbinger Capital Partners Master Fund I, Ltd and Harbinger Capital Partners Special Situations GP, LLC as general partner of Harbinger Capital Partners Special Situations Fund, L.P. This notice is given by the substantial holders for each entity described in section 2.

ACN/ARSN (if applicable) N/A

The holder ceased to be a substantial holder on 30/06/2009

The previous notice was given to the company on 09/03/2009

The previous notice was dated 09/03/2009

**2. Changes in relevant interests**

Particulars of each change in, or change in the nature of, a relevant interest (2) of the substantial holder or an associate (3) in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (4)	Consideration given in relation to change (5)	Class (6) and number of securities affected	Person's votes affected
30/06/2009	Harbinger Capital Partners Master Fund I, Ltd	Ceasing to have a substantial holding due to disposal of ordinary shares via private treaty (on 29/06/2009 as to any power to exercise, or control the exercise of, a right to vote attached to the securities, or a power to dispose of the securities and with effect from 30/06/2009 as to registered holding) (see Annexure C).	See Annexure B	14,692,573 ordinary shares	14,692,573
30/06/2009	Harbinger Capital Partners LLC	Ceasing to have a substantial holding due to disposal by Harbinger Capital Partners Master Fund I, Ltd of ordinary shares via private treaty (see above and Annexure C).	N/A	14,692,573 ordinary shares	14,692,573
30/06/2009	Harbinger Capital Partners Special Situations GP, LLC as general partner of Harbinger Capital Partners Special Situations Fund, L.P.	Ceasing to have a substantial holding due to disposal by Harbinger Capital Partners Master Fund I, Ltd of ordinary shares via private treaty (see above and Annexure C).	See Annexure B	14,692,573 ordinary shares	14,692,573
30/06/2009	Harbinger Holdings, LLC	Ceasing to have a substantial holding due to disposal by Harbinger Capital Partners Master Fund I, Ltd of ordinary shares via private treaty (see above and Annexure C).	N/A	14,692,573 ordinary shares	14,692,573
30/06/2009	Phillip Falcone	Ceasing to have a substantial holding due to disposal by Harbinger Capital Partners Master Fund I, Ltd of ordinary shares via private treaty (see above and Annexure C).	N/A	14,692,573 ordinary shares	14,692,573
30/06/2009	Each of the entities named in the list of 1 page annexed to this notice and marked "A" (Additional Entities).	Ceasing to have a substantial holding due to disposal by Harbinger Capital Partners Master Fund I, Ltd of ordinary shares via private treaty (see above and Annexure C).	N/A	14,692,573 ordinary shares	14,692,573

### 3. Changes in association

The persons who have become associates (3) of, ceased to be associates of, or have changed the nature of their association (7) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	N/A

### 4. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Harbinger Capital Partners Master Fund I, Ltd	c/o International Fund Services (Ireland) Limited, 3rd Floor, Bishop's Square, Redmond's Hill, Dublin 2, Ireland.
Harbinger Capital Partners LLC	16th Floor, 555 Madison Avenue, New York, 10022, United States of America.
Harbinger Capital Partners Special Situations GP, LLC as general partner of Harbinger Capital Partners Special Situations Fund, L.P.	16th Floor, 555 Madison Avenue, New York, 10022, United States of America.
Harbinger Holdings, LLC	16th Floor, 555 Madison Avenue, New York, 10022, United States of America.
Philip Falcone	16th Floor, 555 Madison Avenue, New York, 10022, United States of America.
Additional Entities	As set out in the list of 1 page annexed to this notice and marked "A".

Signature

print name Bruce Macdonald

capacity Authorised Representative

sign here

date 7 July 2009

## DIRECTIONS

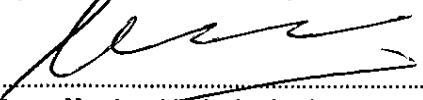
- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 4 of the form.
- (2) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (3) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (4) Include details of:
  - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (5) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (6) The voting shares of a company constitute one class unless divided into separate classes.
- (7) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

## Annexure "A"

This is the Annexure of 1 page marked "A" referred  
to in the form 605 Notice of ceasing to be a substantial holder

Signed by me and dated 7 July 2009

  
.....  
Bruce Macdonald - Authorised Representative

## Additional Entities

Entities controlled by the persons giving this notice or acting in concert with those persons in respect of investment decisions of Harbinger Capital Partners Master Fund I, Ltd and Harbinger Capital Partners Special Situations GP, LLC as general partner of Harbinger Capital Partners Special Situations Fund, L.P.

Additional Entities	Registered Office
Harbinger Capital Partners Special Situations Offshore Fund LP	2
Harbinger Capital Partners Special Situations Offshore GP, LLC	2
Harbinger Capital Partners SSF CFF, Ltd	1
Harbinger Capital Partners Fund I, LP	2
Harbinger Capital Partners GP, LLC	2
Harbinger Capital Partners Offshore Fund I, Ltd	1
Harbinger Capital Partners Offshore Fund II, Ltd	1
Harbinger Capital Partners Offshore Manager, LLC	2
Harbinger Capital Partners Intermediate Fund II, Ltd	1
Harbinger Capital Partners Fund II, LP	2
Credit Distressed Blue Line Master Fund, Ltd	1
Credit Distressed Blue Line Offshore Fund, Ltd	1
Credit Distressed Blue Line Intermediate Fund, Ltd	1
Credit Distressed Blue Line Fund, LP	2
Credit Distressed Blue Line Management, LP	2
Credit Distressed Blue Line GP, LLC	2
Credit Distressed Blue Line Management GP, LLC	2
Salton, Inc	3
Global Opportunities Breakaway Ltd	4
Global Opportunities Breakaway Management, LP	2
Global Opportunities Breakaway Management GP, LLC	2

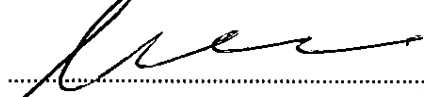
## Registered Offices

1. c/o International Fund Services (Ireland) Limited, 3rd Floor, Bishop's Square, Redmond's Hill, Dublin 2, Ireland.
2. 16th Floor, 555 Madison Avenue, New York, 10022, United States of America.
3. 1955 West Field Court, Lake Forest, Illinois, 660045 United States of America.
4. c/o Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, Cayman Islands KY1-1104.

## Annexure "B"

This is the Annexure of 1 page marked "B" referred  
to in the form 605 Notice of ceasing to be a substantial holder

Signed by me and dated 7 July 2009



Bruce Macdonald - Authorised Representative

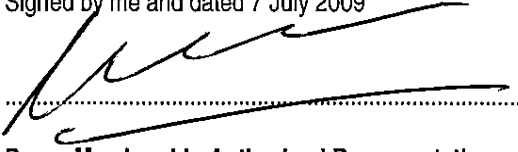
## Details of Consideration

Date of Disposal	Transaction	Person entitled to be registered as holder	Consideration given in relation to change	Class and number of securities affected	Person's votes affected
30/06/2009	Disposal via private treaty	Harbinger Capital Partners Master Fund I	A\$1,000.00	7,346,287 ordinary shares	7,346,287
30/06/2009	Disposal via private treaty	Harbinger Capital Partners Master Fund I	A\$1,000.00	7,346,286 ordinary shares	7,346,286

**Annexure "C"**

**This is the Annexure of 8 pages marked "C" referred  
to in the form 605 Notice of ceasing to be a substantial holder**

Signed by me and dated 7 July 2009



A handwritten signature in black ink, appearing to read 'Bruce Macdonald', is written over a horizontal dotted line. The signature is fluid and cursive.

**Bruce Macdonald - Authorised Representative**

# Share Sale Agreement

DATE June 29, 2009

## PARTIES

Harbinger Capital Partners Master Fund I, Ltd (Seller)

Sunset Partners L.P. (Buyer)

## RECITALS

- A. The Seller is the beneficial owner of the Sale Shares.
- B. The Seller and the Buyer enter into this agreement for the sale of the Sale Shares.

## OPERATIVE PROVISIONS

### 1. INTERPRETATION

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#### 1.1 Definitions

The following definitions apply in this document.

**Company** means Compass Resources Limited (ACN 010 536 820) (an Australian corporation subject to Deed of Company Arrangement, Receivers and Managers appointed).

**Purchase Price** means \$1000.

**Sale Shares** means 7,346,286 shares in the Company.

#### 1.2 Rules for interpreting this document

Headings and catchwords are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this document, except where the context makes it clear that a rule is not intended to apply.

- (a) A reference to:
  - (i) **(documents/agreements)** a document (including this document) or agreement, or a provision of a document (including this document) or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;
  - (ii) **(parties)** a party to this document or to any other document or agreement includes a permitted substitute or a permitted assign of that party;
  - (iii) **(persons)** a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
  - (iv) **(parts of things)** anything (including a right, obligation or concept) includes each part of it.

- 
- (b) **(number)** A singular word includes the plural, and vice versa.
  - (c) **(gender)** A word which suggests one gender includes the other genders.
  - (d) **(parts of speech)** If a word or phrase is defined, any other grammatical form of that word or phrase has a corresponding meaning.
  - (e) A reference to **dollars** or **\$** is to an amount in USD currency.
  - (f) **(this document)** A reference to this document includes the agreement recorded by this document.

## **2. AGREEMENT TO SELL AND BUY THE SALE SHARES**

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The Seller agrees as beneficial owner to sell the Sale Shares to the Buyer and the Buyer agrees to buy the Sale Shares from the Seller for the Purchase Price on the terms of this document.

## **3. PAYMENT OF PURCHASE PRICE**

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### **3.1 What the Buyer must pay on Completion**

Immediately upon execution of this document the Buyer must pay the Purchase Price to the Seller, or as the Seller may direct by notice to the Buyer.

### **3.2 Title, property and risk of the Sale Shares and attached rights and benefits**

The title to, property in and risk of the Sale Shares shall pass to the Buyer immediately upon and from execution of this document.

### **3.3 Buyer's obligation to register**

The Buyer must use reasonable endeavours to ensure that the transfer of the Sale Shares is registered as soon as possible.

## **4. WARRANTIES**

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### **4.1 Warranties of Seller**

The Seller makes no representations and gives no warranties in respect of the Sale Shares or the Company.

## **5. COSTS AND STAMP DUTY**

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Each party must pay its own expenses incurred in negotiating, preparing, executing, completing and carrying into effect this document.

## **6. NOTICES**

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### **6.1 How to give a notice**

A notice, consent or other communication under this document is only effective if it is:

- (a) **(written)** In writing, signed by or on behalf of the person giving it;



- 
- (b) (addressed) addressed to the person to whom it is to be given; and
  - (c) (sent) delivered or sent by pre-paid mail (by airmail, if the addressee is overseas) to that person's address.

#### 6.2 When a notice is given

A notice, consent or other communication that complies with clause 6.1 is regarded as given and received if it is sent by mail:

- (a) within the United States of America – 3 Business Days after posting; or
- (b) to or from a place outside the United States of America – 7 Business Days after posting.

#### 6.3 Address for notices

The parties' addresses for notices are those set out below, or as the person notifies the sender:

**Seller**  
Address: 655 Madison Avenue, 16th Floor  
New York, New York 10022  
Attention: Ian Estus

**Buyer**  
Address: 227 Sunset Avenue  
Ridgewood, NJ 07450-2420  
Attention: Richard Fels

### 7. AMENDMENT AND ASSIGNMENT

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#### 7.1 Amendment

This document can only be amended, supplemented, replaced or novated by another document executed by the parties.

#### 7.2 Assignment

A party may only assign, encumber, declare a trust over or otherwise create an interest in its rights under this document with the consent of each other party.

### 8. GENERAL

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#### 8.1 Governing law

- (a) (law) This document is governed by the law in force in the State of New York, the United States of America.
- (b) (jurisdiction) Each party submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in the State of New York, the United States of America, and any court that may hear appeals from any of those courts, for any proceedings in connection with this document, and waives any right it might have to claim that those courts are an inconvenient forum.

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## 8.2 Giving effect to this document

Each party must do anything (including execute any document), and must ensure that its employees and agents do anything (including execute any document), that the other party may reasonably require to give full effect to this document.

## 8.3 Waiver of rights

A right may only be waived in writing, signed by the party giving the waiver, and:

- (a) **(conduct)** no other conduct of a party (including a failure to exercise, or delay in exercising, the right) operates as a waiver of the right or otherwise prevents the exercise of the right;
- (b) **(one occasion)** a waiver of a right on one or more occasions does not operate as a waiver of that right if it arises again; and
- (c) **(further exercise)** the exercise of a right does not prevent any further exercise of that right or of any other right.

## 8.4 Counterparts

This document may be executed in counterparts.

EXECUTED as an agreement in the State of New York.

Each person who executes this document on behalf of a party under a power of attorney declares that he or she is not aware of any fact or circumstance that might affect his or her authority to do so under that power of attorney.

**EXECUTED BY**

**HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD.**

By: Harbinger Capital Partners LLC, its Investment Manager

By: 

Name: Ian Estus

Title: Vice President

**EXECUTED BY**

**SUNSET PARTNERS L.P.**

By: 

Name: Richard M. Fets

Title: General Partner

# Share Sale Agreement

DATE June 29, 2009

## PARTIES

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Periscope Partners L.P. (Buyer)

## RECITALS

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- (b) to or from a place outside the United States of America – 7 Business Days after posting.

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New York, New York 10022  
Attention: Ian Estus

**Buyer**  
Address: 1600 Flat Rock Road  
Narberth, PA 19072-1230  
Attention: Leonid Frenkel

---

### 7. AMENDMENT AND ASSIGNMENT

#### 7.1 Amendment

This document can only be amended, supplemented, replaced or novated by another document executed by the parties.

#### 7.2 Assignment

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06/29/2009 13:05 FAX 6106681919

002

**8.2 Giving effect to this document**

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This document may be executed in counterparts.

EXECUTED as an agreement in the State of New York.

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**EXECUTED BY****HARBINGER CAPITAL PARTNERS MASTER FUND I, LTD.**

By: Harbinger Capital Partners LLC, its Investment Manager

By: 

Name: Ian Estus

Title: Vice President

**EXECUTED BY****PERISCOPE PARTNERS L.P.**By: 

Name: Leonid Frenkel

Title: Managing Member *General Partner*