



international resource
H O L D I N G S

ASX RELEASE

ASX Code: IRH

29 April 2009

Company Announcements Office
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

ACQUISITION OF CLEAN GLOBAL ENERGY

International Resource Holdings Limited (IRH) is pleased to announce that it has entered into a conditional Heads of Agreement (**Agreement**) to acquire 100% of the issued capital of Clean Global Energy Pty Limited (CGE).

About CGE

CGE is a private energy company with a vision of becoming a significant provider of low cost energy through converting vast sub-economic coal deposits into a cheap, useful energy in the form of Syngas. In exploiting coal deposits that are traditionally uneconomical to mine, CGE will use its proven in-situ extraction method, Underground Coal Gasification (**UCG**), to turn these sub economic resources into a Syngas that is suitable for feedstock for power generation, the production of chemicals and fertilizers and for use in Gas to Liquids technology that produces petrochemical product including ultra-clean diesel and aviation fuels.

The UCG Process

UCG is a process whereby coal is converted to gas in-situ and brought to the surface for further use. The UCG process has significant advantages over other methods of extracting energy from coal in that it allows coal to be processed underground, thus eliminating expensive mining operations and minimizing ground disturbance, in order to produce a low cost industrial gas. The gas can then be used in either power generation or in the further production of liquid petroleum products.

The UCG technology to be used by CGE has been developed over the last 20 years by CGE's Technical Director, Dr. Michael Green and proven most recently in a successful European UCG trial conducted in Spain between 1992 and 1999. Dr. Green has continued to further develop the process used in this trial from the trials conclusion to the present day.

CGE has entered into an exclusive Technology Partnership Agreement (**TPA**) with Dr. Green, pursuant to which he agrees, amongst other things, to provide services involving delivery of his technical skills, knowledge and expertise to CGE and ultimately transfer this intellectual property to CGE. Dr Green will be appointed to the board of IRH at completion.

CGE's Coal Leases

CGE has four coal leases including EPC 1506, 1508 & 1539 located in the Clarence-Moreton Coal Basin in south-east Queensland and EPC 1507 located in the Biloela Coal Basin in Central Queensland. CGE has applied for three additional coal leases including EPCA 1592 in the Bowen Basin, EPCA 1612 in the Clarence-Moreton Basin and EPCA 1637 in the Galilee Basin. If these additional leases are granted, the seven leases will cover an area of approximately 1,895 square kilometres. A location map is set out in Annexure B.

Agreement Terms

The material terms of the Agreement are as follows:

- (a) IRH has agreed to acquire 100% of the fully paid ordinary shares in the capital of CGE in consideration for allotting and issuing up to 300,000,000 fully paid ordinary shares in the capital of IRH to the shareholders of CGE (**Shareholders**);
- (b) The acquisition of CGE by IRH is subject to the satisfaction of a number of conditions precedent including the following key conditions:
 - (i) IRH and CGE undertaking and completing due diligence investigations with each party being satisfied in their absolute unfettered discretion with such due diligence investigations within 30 days;
 - (ii) IRH and CGE obtaining such shareholder approvals or other regulatory approvals for the transaction contemplated by the Agreement and as may be required by their constitution, the Corporations Act, the ASX, ASIC or any other relevant regulatory body;
 - (iii) the resignation of all current IRH directors and the appointment of new directors as nominated by CGE, including Mr. John Harkins, Mr Domenic Martino, Dr Michael Green, Ms Alison Coutts and Mr Paul Hubbard with effect from Completion;
 - (iv) IRH shareholder approval for the balance of 6,333,333 shares and 3,166,667 options to be issued to Mr Scott Douglas pursuant to the IRH placement completed and announced to ASX on 26 February 2009;
 - (v) completion occurring under the agreement entered into between IRH and Martern EOOD for the sale of Thrace Resources EOOD as announced to ASX on 16 March 2009 (**Thrace Agreement**);
 - (vi) IRH converting its outstanding debt to equity with non related and related parties including the convertible note issued to Martern pursuant to the Thrace Agreement (approximately 3,761,502 Shares) (**Martern Convertible Note**); and
 - (vii) IRH agreeing on a best endeavours basis to enter into a convertible note to raise \$500,000 (**Proposed Convertible Note**) and to loan these funds to CGE pursuant to the terms of a loan agreement and deed of charge (fixed and floating charge) to be entered into by the parties. Subject to the approval of shareholders of IRH, the convertible note will be converted into 33,333,333 Shares at a deemed issue price of \$0.015. The capital raising in relation to the Proposed Convertible Note is to be managed by Cunningham Securities.

Proposed New Directors

It is proposed that upon the acquisition of 100% of CGE, the current board of IRH will resign as directors of IRH. Details of the proposed incoming directors are summarised below.

Mr John Harkins – Prior to Mr Harkins joining the Board of CGE, he was Senior Vice President of a US based company involved in gasification technology. Prior to moving to the US he was Executive Director/General Manager of Linc Energy Ltd, having steered that company through its successful IPO in May 2006 and the commencement of its business plan, which included the use of UCG and GTL technologies. Prior to this he was CEO of Care Super, one of Australia's largest pension funds.

Mr Domenic Martino – Mr. Martino was the Chief Executive Officer of Deloitte Touche Tohmatsu in Australia from 2001 to 2003. Prior to taking up this position he was the Managing Partner of Deloitte Touche Tohmatsu's New South Wales operations from 1998 to 2001. Mr Martino is a Director and Non-Executive Chairman of Australasian Resources Ltd, a Director and Chairman of Computercorp Limited, and a director of AIM/TSX listed Gladstone Pacific Nickel Ltd. He was a founding Director and former Chairman of coal bed methane companies Sydney Gas Limited and Blue Energy Limited (formerly Energy Investments Limited). He is also a Director of Waratah Coal Limited.

Dr Michael Green – Dr Michael Green is an underground coal gasification specialist who has developed intellectual property, technical skills, knowledge and know how in relation to all aspects of UCG. He has 32 years experience in energy related engineering research and holds a PhD in Chemical Engineering from Imperial College, London.

Ms Alison Coutts – Ms Coutts has a degree in Chemical Engineering and a Masters degree in Business Administration. Ms Coutts has over 25 years experience in international engineering project management, strategic consulting and executive search. Since the mid 1990's, Ms Coutts has been involved in the financial markets in venture capital, stockbroking and investment banking.

Mr Paul Hubbard – Mr Hubbard holds a Bachelor of Arts and a Bachelor of Education with experience in the teaching, training, human resources and motivational sectors. Mr Hubbard was an executive with Woolworths then BHP where he was involved in training and development for a broad range of employees. Mr Hubbard established and implemented many of today's foundational corporate practices during his time with these companies.

Pro-forma Capital Structure

A pro-forma capital structure of IRH following completion of the transaction is set out in Annexure A.

IRH Management Comment

IRH's Executive Director, Mr Scott Douglas said: "In line with our strategy of identifying advanced stage development assets we believe this is a great result for IRH shareholders. CGE have assembled a world class technical and management team with proven success in the UCG and GTL sector, including strategic coal assets that will allow the Company to move forward with its proprietary technology on completion of the acquisition."

"We believe there is a strong future in the energy sector and particularly any proven technology that is commercially viable whilst assisting in reducing carbon emissions."

CGE Management Comment

CGE's Chairman, Mr John Harkins said: "The Board and management of CGE welcomes this positive development as we take CGE forward as a key contributor to the global appetite for greener energy solutions. CGE has the potential to become a major player in the supply of economical clean power, diesel and other fuels."

"The CGE board has remained focused on our goal of building a world class energy company. During the last 6 months CGE has achieved a number of its early milestones and this has reinforced our already strong credentials in technology and underpinned the potential of our coal assets. This has prepared the company for a solid future and part of this future will now include IRH and its shareholders."

For further information, please contact:

International Resource Holdings Limited
Level 24, 44 St Georges Terrace
PERTH WA 6000

Telephone: +61 8 9325 6164
Fax: +61 8 9218 8875
Email: admin@internationalresourceholdings.com
Web: www.internationalresourceholdings.com

Scott Douglas Executive Director

Annexure A
Pro forma Capital Structure

SHARES

Shares currently on issue:

IRH Shares currently on issue 69,861,575

Shares to be issued – pre Completion:

Balance of Placement Shares - Director 6,333,333

Conversion of Debt to Equity - Non-Related Parties 3,861,127

Conversion of Debt to Equity - Related Parties 9,567,158

Conversion of Martern Convertible Note 3,761,502

Conversion of Proposed Convertible Note 33,333,333

Shares to be issued – CGE Acquisition:

CGE Acquisition 300,000,000

SHARES TOTAL

426,718,028

OPTIONS

Options currently on Issue:

\$0.10 Unlisted Options Exp. 11/2011 10,941,666

\$0.15 Unlisted Options Exp. 11/2011 500,000

\$0.20 Unlisted Options Exp. 10/2010 500,000

\$0.25 Listed Options Exp. 08/2009 23,743,500

\$0.25 Unlisted Options Exp. 08/2011 5,000,000

\$0.25 Unlisted Options Exp. 11/2011 1,500,000

Options to be issued - pre Completion:

Balance of Placement Unlisted Options – Director 3,166,667

OPTIONS TOTAL

45,351,833

TOTAL SECURITIES POST COMPLETION

472,069,861

Annexure B
CGE Coal Leases

Queensland, Australia

