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18 May 2010 ASX Announcement

Consent to Negotiate received for Connexion Island

Groote Resources Limited [ASX GOT] is pleased to announce further progress on its Tenement applications for the Groote Eylandt Project in the Gulf of Carpentaria. The Company has now received consent to negotiate from the Northern Territory Government to enter into discussions with the local land council regarding the grant of Exploration license 27522 (Connexion Island), 15km NW of GEMCO's mining operations.

The Consent marks another important step for Groote towards becoming a high grade manganese producer. **Together with the consent received in April for negotiations on Winchelsea Island**, the Company can now enter into discussions with the local land council regarding **100**% of its land applications.

The combined area of both Winchelsea and Connexion Island equates to 57.14 km².

The Groote Project comprises six Tenements covering approximately 1,722 km² and includes Winchelsea and Connexion Islands in the Gulf of Carpentaria (see figure 1).

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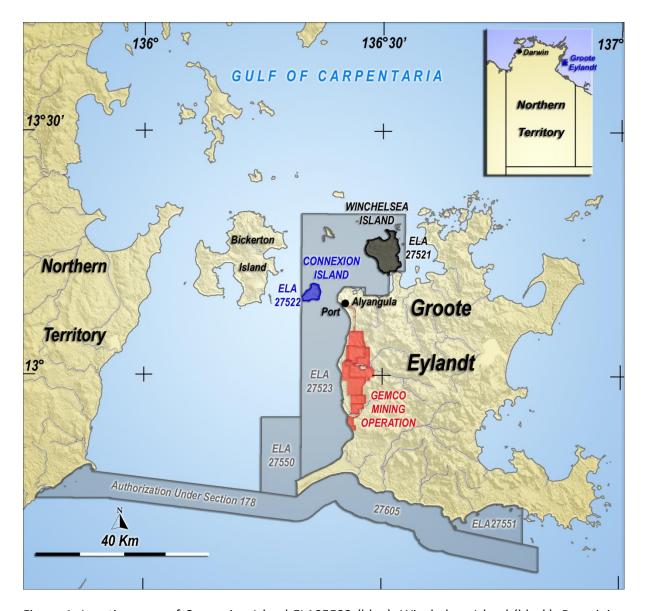


Figure 1: Location map of Connexion Island ELA25522 (blue), Winchelsea Island (black). Remaining Groote Resources tenement applications (grey).

For Further information, Please contact

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