



ASX/MEDIA RELEASE

Update Regarding Proposed Downstream Offer for Extract Resources

January 23, 2012: Extract Resources Ltd (ASX/TSX/NSX: EXT) ("Extract" or the "Company") notes the announcement on the London Stock Exchange by Taurus Mineral Limited ("Taurus") advising that Taurus had received valid acceptances of its offer for Kalahari Minerals ("Kalahari") representing approximately 29.4 per cent of the existing issued share capital of Kalahari.

Under the terms of the relief granted to Taurus by the Australian Securities and Investments Commission ("ASIC"), Taurus must proceed with making an off-market takeover offer to all Extract shareholders within four weeks of Taurus having received acceptances of the Kalahari offer in respect of more than 50% of the voting rights in Kalahari.

Extract's Independent Directors intend to make a recommendation in relation to the Taurus offer for Extract once such an offer is made. In the meantime, Extract's Independent Directors are continuing to actively investigate all available alternatives that could maximise value for all Extract shareholders.

A copy of the Taurus announcement "Offer Update" is attached.

About Extract Resources

Extract Resources Ltd is an international uranium exploration and development company whose primary focus is in Namibia. The company's principal asset is its 100%-owned Husab Uranium Project which contains the fourth largest uranium only deposit in the world. Extensive exploration potential also exists for new uranium discoveries in the region. Extract Resources is listed on the Australian (ASX), Toronto (TSX) and Namibian (NSX) Stock Exchanges.

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Taurus Announcement

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FOR IMMEDIATE RELEASE

20 January 2012

RECOMMENDED CASH OFFER FOR KALAHARI MINERALS PLC ("Kalahari") BY TAURUS MINERAL LIMITED ("Taurus") (A COMPANY FORMED AT THE DIRECTION OF CGNPC URANIUM RESOURCES CO., LTD ("CGNPC-URC") AND THE CHINA-AFRICA DEVELOPMENT FUND ("CADFund"))

Offer update

On 8 December 2011 CGNPC-URC announced that the boards of Kalahari and CGNPC-URC had reached agreement on the terms of a recommended cash offer for the entire issued and to be issued share capital of Kalahari (the "**Offer**"), the full terms and conditions to which were set out in the offer document issued by Taurus on 5 January 2012 (the "**Offer Document**").

Level of Offer acceptances

As at 1:00 p.m. (London time) on 19 January 2012, Taurus had received valid acceptances from Kalahari Shareholders in respect of 74,811,264 Kalahari Shares representing approximately 29.4 per cent. of the existing issued share capital of Kalahari. These acceptances include acceptances received in respect of 9,518,813 Kalahari Shares, representing approximately 3.7 per cent. of the existing issued share capital of Kalahari, which were subject to irrevocable undertakings procured by Taurus from the Kalahari Directors.

As at 1:00 p.m. (London time) on 19 January 2012, Taurus held non-binding letters of intent to accept the Offer from Henderson Alternative Investment Advisor Limited and Henderson Global Investors Limited (together "**Henderson**"), for which acceptance had not yet been received, relating to 3,538,716 Kalahari Shares, representing approximately 1.4 per cent. of the existing issued share capital of Kalahari.

The terms of the Kalahari Directors' irrevocable and the non-binding letters of intent received from Henderson are set out in paragraph 3 of Appendix 5 to the Offer Document.

Deadline for receipt of Offer acceptances

The Offer, which remains subject to the terms set out in the Offer Document, will remain open for acceptances until 1.00 p.m. (London time) on 2 February 2012.

ASIC Relief and Extract Bid

On 8 December 2011, ASIC made declarations under section 655A(1)(b) of the Australian Corporations Act modifying the application of certain provisions of Chapter 6 of the Australian Corporations Act to Taurus, Miraculum, CADFund, CGNPC-URC and other named related bodies corporate of those entities ("**ASIC Relief**"). Under these declarations, Taurus may acquire a relevant interest in more than 20 per cent. of Extract Shares in connection with the acquisition of Kalahari Shares under the Offer without the acquisition resulting in a breach of section 606(1) of the Australian Corporations Act.

Under section 608(3) of the Australian Corporations Act, a person having a relevant interest in more than 20 per cent. of a company's voting shares also has a relevant interest in any securities held by that company or in which that company otherwise has a relevant interest.

Earlier today, Taurus filed a Form 603 notice with the ASX, confirming that, as Taurus had acquired a relevant interest in 78,349,980 Kalahari Shares representing 30.8 per cent. of Kalahari's existing issued share capital, Taurus also has a relevant interest in the 107,342,087 Extract Shares held by Kalahari (constituting 42.74 per cent. of the total number of Extract Shares on an undiluted basis).

Taurus' relevant interest in 78,349,980 Kalahari Shares comprised valid acceptances from Kalahari Shareholders in respect of 74,811,264 Kalahari Shares and a further 3,538,716 Kalahari Shares which are subject to non-binding letters of intent to accept the Offer.

Terms and expressions used in this announcement shall, unless the context otherwise requires, have the same meanings as given to them in the Offer Document.

Enquiries:

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Deutsche Bank AG is authorised under German Banking Law (competent authority: BaFin - Federal Financial Supervisory Authority) and authorised and subject to limited regulation by the FSA. Details about the extent of Deutsche Bank AG's authorisation and regulation by the FSA are available on request. Deutsche Bank AG, London Branch (and its affiliates) are acting as financial adviser to CGNPC-URC, CADFund and Taurus and no one else in connection with the contents of this announcement and the Offer and will not be responsible to any person other than CGNPC-URC, CADFund and Taurus for providing the protections afforded to clients of Deutsche Bank AG, London Branch (or its affiliates), nor for providing advice in relation to the Offer or any matters referred to herein.

Opening Position and Dealing Disclosure Requirements under the Code

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any paper offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any paper offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any paper offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a paper offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any paper offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any paper offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4). Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel's Market Surveillance

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Publication on websites

A copy of this announcement is and will be available free of charge, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, for inspection on CGNPC-URC's website at www.cgnurc.com.cn.