

ASX

ANNOUNCEMENT



26 June 2013

CANCELLATION OF ENTITLEMENT ISSUE PROSPECTUS AND WITHDRAWAL FROM LETTER OF INTENT - ARGENTINA

The Company advises that the Entitlement Issue Prospectus for a non-renounceable issue of one listed Option for every one Share held and lodged with ASIC on 11 June 2013 has been withdrawn due to the current financial market conditions.

The Company has decided to not to proceed with the acquisition of the Cristina precious metals and base metals project in San Juan Province, Argentina, as announced to the ASX on 27 March 2013. The due diligence had not been completed but after a review of the Company's current activities and financial condition, the ability to fund exploration on all projects would be significantly restricted if the Cristina project was acquired.

The company currently has 32,000,000 shares on issue with all options recently cancelled. Therefore the Directors believe the capital structure is very attractive to project vendors and your Directors will continue to review exploration and advanced resource projects that have the potential to maximise shareholder wealth in the medium to long term.

If you have any questions please do not hesitate to contact me on the details below.

Yours faithfully

A handwritten signature in blue ink, appearing to read "D Holden", is positioned above the name and title of the signatory.

David Holden
Managing Director