

12 October 2011

Company Announcements
Australia Stock Exchange
Riverside Centre
Level 5, 123 Eagle Street
Brisbane QLD 4000

Allotment of Shares to Creditors

We are pleased to advise that :

- Shares approved at the EGM for allotment to Creditors totaling fifty million shares have now been allotted in the name of the Trustees of the Creditors Trust who will distribute them to creditors under the terms of the trust, and the recipients will receive letters directly from Lawler Draper Dillon who now are the sole point of enquiry in relation to these.
- Shares and Options approved at the EGM for issue to the convertible note holders from 2009 and 2010, being eighty million shares and options over a further eighty million shares have now been allotted and the recipients will receive individual letters from the Company.
- Shares approved at the EGM to be allotted to ABEnergy nominees will be allotted shortly.
- The above shares and options have all been issued prior to the proposed share consolidation.
- As there is also intended to be a share consolidation, formal holding statements will be dispatched to all the above parties and to all other shareholders by the end of the month, reflecting the post consolidation holdings, in accordance with normal ASX timetables set out in Appendix 7A of the Listing Rules.

A handwritten signature in blue ink, appearing to read "Vincent Sweeney".

Vincent Sweeney
Chairman