



## **ASX/MEDIA RELEASE**

### **Update regarding Possible Offer Discussions between Kalahari Minerals and CGNPC-URC**

**November 10, 2011:** Extract Resources Ltd (ASX/TSX/NSX: EXT) ("Extract" or the "Company") notes the announcement on the London Stock Exchange by Kalahari Minerals ("Kalahari"), that Kalahari and CGNPC Uranium Resources Co Ltd ("CGNPC-URC") remain in discussions in relation to a possible cash offer for Kalahari by CGNPC-URC at a price of 243.55 pence per Kalahari share, with the intention of reaching agreement on a recommended offer for Kalahari. Kalahari is a 42.74% shareholder of Extract.

Extract also notes that Kalahari's announcement does not constitute an announcement of a firm intention to make an offer and that these discussions may or may not lead to an offer being made by CGNPC-URC for Kalahari.

Extract also notes that CGNPC-URC is subject to the City Code on Takeovers and Mergers (the "Code"). As required by Rule 2.6(a) of the Code, CGNPC-URC must, by no later than 5.00pm (UTC/GMT) on 8 December 2011, either announce a firm intention to make an offer or announce that it does not intend to make an offer for Kalahari. This deadline will only be extended with the consent of the Takeover Panel in accordance with Rule 2.6(c) of the Code.

As previously announced, Extract has made submissions to the Australian Securities and Investments Commission ("ASIC") around the potential requirement for, and terms of, a downstream offer by CGNPC-URC for Extract, should an offer be made for Kalahari. No ruling has yet been made by ASIC on this matter.

The independent directors of Extract will continue to monitor the situation closely and will keep shareholders informed of any further developments.

In the meantime, Extract continues with its existing activities, which includes the Husab Uranium Project Mine Optimisation and Resource Extension (MORE) programme, exploration drilling and the ongoing partnership process to evaluate development options for Husab. The Husab Mining Licence Application continues to be under active consideration.

A copy of the Kalahari announcement 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.

For further information, please visit [www.extractresources.com](http://www.extractresources.com) or contact:

Extract Resources: London Office Jonathan Leslie, CEO	Tel: +44 (0)20 7317 9220
Extract Resources: Perth Office Siobhan Lancaster, Company Secretary/Corporate Affairs	Tel: +61 (0)8 9367 2111 slancaster@extractresources.com
Australian Media Enquiries: MAGNUS Investor Relations + Corporate Communication (Australia) John Gardner and Tory Hunt	Tel: +61 (0)2 8999 1010 Mob: +61 (0)413 355 997 Mob: +61 (0) 414 741 111
UK Media Enquiries: Brunswick Group (UK) Carole Cable / Pip Green	Tel: +44 (0)20 7404 5959

## **KALAHARI'S ANNOUNCEMENT**

10 November 2011

### **Kalahari Minerals plc ('Kalahari' or 'the Company') Update regarding CGNPC-URC Possible Offer Discussions**

THIS ANNOUNCEMENT DOES NOT CONSTITUTE AN ANNOUNCEMENT OF A FIRM INTENTION TO MAKE AN OFFER UNDER RULE 2.7 OF THE CITY CODE.  
THERE CAN BE NO CERTAINTY THAT ANY OFFER WILL BE MADE.

Further to the announcement on 10 October 2011, Kalahari confirms that it remains in discussions with CGNPC Uranium Resources Co., Ltd ("CGNPC-URC") in relation to a possible offer for the entire issued share capital of the Company. The possible offer is a cash offer at a price of 243.55 pence per share, but there can be no certainty that an offer will be made for the Company.

Kalahari's key asset is a 42.74% interest in Extract Resources Limited, owners of the world class Husab Uranium Project in Namibia. The Board of Kalahari believes that CGNPC-URC's leading position in the uranium sector makes it a suitable partner for the realisation of the full potential of the Husab Uranium Project to the benefit of all stakeholders.

Since 6 months have now elapsed since the announcement on 10 May 2011 by CGNPC-URC under Rule 2.8 of the City Code on Takeovers and Mergers (the "Code"), CGNPC-URC is no longer restricted by Rule 2.8 of the Code. Notwithstanding the lifting of these restrictions on CGNPC-URC, the two parties are in discussions with the intention of reaching agreement on a recommended offer for the Company.

In view of the fact that CGNPC-URC is now no longer subject to the restrictions of Rule 2.8 of the Code, CGNPC-URC is now subject to Rule 2.6(a) of the Code. As required by Rule 2.6(a) of the Code, CGNPC-URC must, by no later than 5.00pm on 8 December 2011, either announce a firm intention to make an offer in accordance with Rule 2.7 of the Code, or that it does not intend to make an offer for the Company in which case the announcement will be treated as a statement to which Rule 2.8 of the Code applies. This deadline will only be extended with the consent of the Takeover Panel in accordance with Rule 2.6(c) of the Code.

However, these discussions may or may not lead to an offer being made and a further announcement will be made in due course.

This announcement has been made with the consent of CGNPC-URC. For the purposes of Rule 2.5(a), CGNPC-URC reserves the right to make an offer at any time at a value

below 243.55 pence per share with the agreement and recommendation of the board of Kalahari.

For further information please visit [www.kalahari-minerals.com](http://www.kalahari-minerals.com) or contact:

Mark Hohnen	Kalahari Minerals plc	Tel: +44 (0) 20 7292 9110
Geoff Rasmussen	Azure Capital Limited	Tel: +61 (0) 8 6263 0888
Samantha Harrison	Ambrian Partners Limited	Tel: +44 (0) 20 7634 4700
Rory Murphy	Strand Hanson Limited	Tel: +44 (0) 20 7409 3494
Hugo de Salis	St Brides Media & Finance Ltd	Tel: +44 (0) 20 7236 1177
Susie Geliher	St Brides Media & Finance Ltd	Tel: +44 (0) 20 7236 1177

Ambrian, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting for Kalahari as financial adviser in relation to the above matter and is not acting for or advising any other person and accordingly will not be responsible to any person other than Kalahari for providing the protections afforded to the customers of Ambrian or for providing advice in relation to the contents of this announcement. Neither Ambrian nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a customer of Ambrian in connection with this announcement, any statement contained herein or otherwise.

Strand Hanson Limited, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting for Kalahari as nominated adviser and is not acting for or advising any other person and accordingly will not be responsible to any person other than Kalahari for providing advice in relation to the contents of this announcement. Neither Strand Hanson Limited nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a customer of Strand Hanson Limited in connection with this announcement, any statement contained herein or otherwise.

### **Disclosure requirements of the Takeover Code (the “Code”)**

Under Rule 8.3(a) of the Code, any person who is interested in 1% 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% 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 Takeover Panel's website at [www.thetakeoverpanel.org.uk](http://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 Unit on +44 (0)20 7638 0129.