



ASX RELEASE
23rd March 2011

FOWLERS BAY NICKEL PROJECT DOWN HOLE GEOPHYSICAL LOGGING UPDATE

In the Company's release on 11th March 2011, it was stated that results of down-hole Transient Electromagnetic (TEM) geophysical measurements in the 2 diamond drill holes that were completed earlier this month were expected by 21st March, 2011.

Despite being cased with PVC to the bottom of each hole at 279 and 270 metres respectively, the geophysical contractor has reported that both drill holes are blocked at a depth of approximately 20 metres. Consequently, arrangements have been made for the drilling contractor to attempt clearing of the holes over the coming weekend, which if successful would allow the down hole TEM geophysical logging program to be completed by late next week.

Subject to successful unblocking of the drill holes, results of the TEM logging program should be available for review by the Company by the end of March 2011. If the TEM results are sufficiently attractive, further drilling will be considered, as the TEM conductor defined during surface geophysical surveys in 2008 and 2009 is strong and in an attractive geological setting.

Support for the geological interpretation is provided in a State Government publication on the geology of South Australia in 1993, which stated that the area is highly prospective for base metals, comparing the aeromagnetic pattern with that of the Thompson nickel belt of Manitoba, Canada.

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ATTRIBUTION

The information in this report that relates to exploration results, mineral resources and ore reserves is based on information compiled by Mr D N Harley, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Harley has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Harley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.