

16 December 2010

ASX Operations  
Announcement Office  
Level 10, 20 Bond Street  
SYDNEY NSW 2000

Dear Sir/Madam

**CANCELLATION OF UNLISTED EMPLOYEE OPTIONS**

Pursuant to the Employee Option Plan, the Company has cancelled 50,000 Unlisted Employee Incentive Options being:

25,000 Options at \$0.738, expiring on 30 June 2012; and  
25,000 Options at \$0.666, expiring on 30 June 2011.

The remaining shares and options on issue will be:

Listed Shares: 181,160,170 Ordinary full paid shares

Unlisted Options:	325,000	\$0.666 cent Options Expiry 30 June 2011
	550,000	\$0.987 cent Options Expiry 30 June 2011
	550,000	\$0.738 cent Options Expiry 30 June 2012
	500,000	\$1.438 Options Expiry 31 December 2012

Yours faithfully



Bruce Acutt  
**Company Secretary**