



**AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT
3 JUNE 2008**

ISSUE OF ORDINARY FULLY PAID SHARES AND OPTIONS

The directors are pleased to advise that they have agreed to make placements up to the value of \$3,926,400 by the issuing of up to 12,270,000 fully paid ordinary shares at an issue price of \$0.32 per share to various institutions and sophisticated investors in accordance with sections 708(1) and 708(8) of the Corporations Act 2001 ("the Act") and under the 15% placement rule of the Australian Securities Exchange Listing Rules.

A commission of 5% of the value of the funds raised and up to 1,227,000 options (expiring 30 June 2011, exercisable at \$0.45) is payable to licensed stock brokers in respect of the placement.

The funds raised will be used for the purposes to meet the Company's ongoing working capital requirements.

A handwritten signature in black ink, appearing to read 'Gregory H. Solomon', is placed on a light yellow rectangular background.

Gregory H. Solomon
Executive Chairman