



ABN 52 007 626 575

10 May, 2010

The Manager
Company Announcements
Australian Stock Exchange
Level 10, 20 Bond Street
SYDNEY NSW 2000

Dear Sir,

Resignation of Director

The Board has accepted with regret, the resignation of Dr. Kenneth Collerson from his position as non executive director. Dr. Collerson was appointed to the Board in December 2008 as our 'diamond' expert and the weak response to the recent pro-rata issue to shareholders made it financially impossible to proceed with exploration for diamonds in Australia at the present time.

By order of the Board

A handwritten signature in black ink that reads "D. Pursell".

Duncan Pursell
Managing Director