



7 December 2011

Mr Wade Baggott  
ASX Limited  
Level 2  
8 The Esplanade  
Perth WA 6000

Dear Wade

**RE: USE OF PROCEEDS**

The Company confirms it intends to apply funds raised as follows:

	<b>Final Subscription (\$2.99m)</b>
Exploration Program	1,822,000
Working Capital & Project Evaluation	541,520
Corporate Overheads and Administration	619,360
Costs of the Offers	367,120
<b>TOTAL</b>	<b>3,350,000</b>

If you require any further information please contact me.

Yours sincerely

A handwritten signature in blue ink that reads "John Ribbons". The signature is fluid and cursive, with a large loop at the end of the word "Ribbons".

**John Ribbons**  
Company Secretary