

16 November 2010

Company Announcements Office  
Australian Stock Exchange  
20 Bridge Street  
SYDNEY NSW 2000

### **CLARENCE MORETON JOINT VENTURE UPDATE**

Pacific Enviromin Limited (**PEV**) is pleased to announce that the Company's interest in its Clarence Moreton Joint Venture with Blackwood Resources Pty Ltd (**Blackwood**) has received a significant funding boost. Argonaut Resources NL (ASX:ARE) announced on 10 November 2010 that it had entered into a term sheet with Blackwood's parent company, Blackwood Coal Pty Ltd (**BWC**) with a view to making a proposed investment of \$4million as part of a \$6million capital raising by Blackwood Coal Pty Ltd via a convertible note issue.

Finalisation of the investment is still subject to completion of transaction documentation and due diligence by the parties.


Completion of the investment will provide the necessary funding to explore and define coal resources in BWC's projects, including PEV's four joint venture projects.

#### ***Background***

Earlier this year PEV through its 100% owned subsidiary Mining Investments One Pty Ltd commenced a joint venture with Blackwood. Please refer to PEV's ASX announcements of 6 April 2010 and 21 July 2010.

The four tenements included in the project are EPC's 1955, 1979, 1957 and 1987. EPC's 1955 and 1979 have been granted and the remaining two are expected to be granted in the near future. Under the joint venture agreement PEV has retained a 10% free carried interest in the project through to completion of a bankable feasibility study. Blackwood are responsible for all expenditure on exploration and development (including all costs incurred in respect of the Department of Mines and Energy) until the completion of a bankable feasibility study pertaining to these tenements. PEV will then have the election as to whether it intends to continue to hold its 10% interest in these projects. If so, the Company will be required to fund its proportionate share of expenditure in respect of these tenements going forward.

Yours faithfully



Paul Byrne  
Executive Director  
Pacific Enviromin Limited