

18 May 2007

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

Dear Sir

Placement of new equity

At the General Meeting of Pacific Enviromin Limited ("PEV") on 5th April 2007, shareholders gave approval for an equity placement to raise the necessary funds to complete the development of the Mantuan Downs resource.

Directors advise that this placement has today been confirmed by Bell Potter Securities, raising \$2 million through the issue to institutional and sophisticated investors of 20 million fully paid ordinary shares at 10 cents per share.

Yours faithfully



Brian Jones
Chairman