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7 November 2007

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

Dear Sir,

Ministerial approval for development of the Mantuan Downs resource is about to be granted, and commercialisation of the resource will commence.

Therefore, to provide additional working capital for the commercialisation program, Pacific Enviromin Limited announces an offer to its shareholders to participate in a Shareholders' Share Purchase Plan ("Plan") which the Company proposes to dispatch to shareholders on Monday 19 November 2007.

Under the terms of the proposed Plan each shareholder registered on the Company's share register at the Record Date, 16 November 2007, will be entitled to apply for a minimum of 10,000 and up to a maximum of 50,000 new ordinary shares at a Subscription Price of 10 cents (\$0.10) per share. Thus the minimum subscription will be \$1,000 and the maximum subscription will be \$5,000.

The last day of trading to be included on the share registry at the Record Date will be Monday 12 November 2007. That is, all shares purchased on or before Monday 12 November 2007 should be included in the share registry at the Record Date. However, it is noted that settlement of share purchases is beyond the control of the Company, and any delays may result in some shareholders missing the Record Date for the Plan.

The key dates for the proposed Plan are as follows:

Last day of trading to be included in the register at the Record Date:	Monday 12 November 2007
Record Date of the Plan:	Friday 16 November 2007
Dispatch of Shareholders' Share Purchase Plan to Shareholders:	Monday 19 November 2007
Opening Date of the Plan:	Friday 23 November 2007
Closing Date of the Plan:	Friday 14 December 2007
Issue and allotment of new Shares under the Plan:	Friday 21 December 2007

The Subscription Price represents a discount of approximately 13% on the weighted average trading price of 11.5 cents per share for the Company's shares on the ASX, over the five (5) business day period from 31 October 2007 to 6 November 2007.

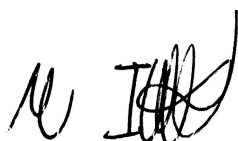
The maximum number of Shares that will be issued by the Company under the Plan is 60,000,000. In the event that the Company receives subscriptions for more than the maximum 60,000,000 Shares, the Company intends to accept subscriptions for Shares on a "pro-rata" basis.

The funds will be used for working capital to commercialise the Mantuan Downs bentonite mine, including capital works on site, contracted campaign mining, and logistics.

Please contact either myself or Executive Director, Mr. Paul Byrne if you require any additional information.

Yours faithfully

**PACIFIC ENVIROMIN LIMITED**

A handwritten signature in black ink, appearing to read 'M Ilett', with a stylized flourish at the end.

Mr. Michael Ilett  
Company Secretary