

30 November 2011

Managing Director's Address – 2011 AGM

Ladies and Gentlemen

I take this opportunity to welcome you and thank you for your support throughout the year.

This past year has been challenging on all fronts. We are pleased to have been able to report successes such as the commencement of our exploration agreement with Rio Tinto and commencement of our own drilling programs.

Your company has now drilled two of its Bowen basin projects targeting potential shallow open cut coal areas. Unfortunately, we have not been successful discovering commercial coal within these areas.

While the shallow open cut targets could have provided opportunities for short term development, the Company continues to focus on its primary resources. The New Year looks exciting with drilling proposed on both our Cooroorah and Dingo projects.

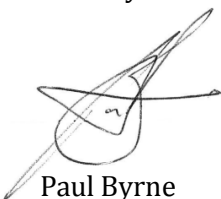
We also expect to report further progress from both of our joint venture partners, Rio Tinto and Blackwood Resources.

Your company has several other projects. Evaluation and assessment of their potential is on-going.

Following this meeting, I will present a general overview on the company's projects, future developments and the way forward for building shareholder value.

Thank you again for your support during what has been a very difficult year. We look forward to identifying the full potential of the company's tenements over the coming year and seeing an improvement in underlying value for shareholders.

Thank you.



Paul Byrne
Managing Director