

11 February 2009

Mr James Rowe
Manager, Issuers (Perth)
Australian Securities Exchange
Level 8, Exchange Plaza
2 The Esplanade
PERTH WA 6000

Dear Mr Rowe

We refer to your letter dated 6 February 2009 referring to the Appendix 5B lodged by the Company in January 2009 (“Letter”).

In response to your questions outlined in the Letter, we provide the following information:

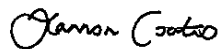
1. As announced on 30 January 2009 in its Quarterly Operations Review, the Company is currently considering the sale of its Macusani uranium concessions in Peru. Such activities have not yet reached a stage where they would require specific disclosure under Listing Rule 3.1, however in the event a buyer is secured, funds generated from the sale of these properties would reduce existing debt and provide cash reserves for future operations. The Company is also considering other options to fund its future activities, including possible capital raising.
2. The Company is an exploration company and as such is not yet generating revenue other than incidental revenue thus, like all other explorers, it is dependent upon generating fresh capital to fund its objectives. We are currently considering a number of funding options, including capital raising and/or a sale of assets as outlined in paragraph 1 above. Disclosure of the progress of such activities will be made pursuant to Listing Rule 3.1 as and when required.
3. The Company like many others listed on the ASX has been adversely affected by the current financial crisis and as a result the Board has taken action to restructure the Company’s affairs to reduce debt and to generate cash flow for its objectives in the future. It is anticipated this process will be achieved by:
 - a. Reducing outgoings, a process which is well advanced.
 - b. The potential sale of assets, including the sale discussed in paragraph 1.
 - c. Potential capital raising.
 - d. As was discussed in the above mentioned Quarterly Operations Review, restructuring the existing Farm-In arrangement on its Kyrgyzstan project, possibly via an asset/debt swap.

Disclosure of the above mentioned activities will be made as and when required under Listing Rule 3.1.

4. The Company can confirm that it is in compliance with Listing Rule 3.1;
5. Listing Rule 12.2 provides that an entity's financial condition (including operating results) must, in ASX's opinion, be adequate to warrant the continued quotation of its securities and its continued listing. We advise that the Company has not yet completed its Financial Statements at 31 December 2008 and the review by our auditors has likewise not been completed, thus the financial results for that period quoted herein should be viewed in that light.
 - a. At 31 December 2008 the Company held assets for sale with an estimated realisable value of approximately \$2.4 million and liabilities of approximately \$2.6 million.
 - b. The Company is considering all options to secure future funds, including possible conversion of existing debt to equity, sales of assets and capital raising.
 - c. Operating outflows for the current (and subsequent) quarters have been reduced significantly from those in the previous half and the previous quarter which will have a positive effect upon working capital.

Please do not hesitate to contact me if further information is required.

Yours sincerely



Shannon Coates
Company Secretary