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COMPANY ANNOUNCEMENTS PLATFORM
AUSTRALIAN STOCK EXCHANGE

CLARIFICATION ON THE CONVERSION OF CONVERTIBLE NOTES

Evans & Tate refers to the lodgement of an Appendix 3B at the Australian Stock Exchange on 4 May 2007.

The Appendix 3B disclosed the issue of 911,419 ordinary shares subsequent to the receipt of two convertible note conversion notices dated 20 April 2007.

Subsequent to the release of the Appendix 3B, further advice has been sought and received by the Company requiring reassessment of the conversion calculation under the Convertible Note Prospectus dated October 1999. The Company has reached a view that the better interpretation of the conversion calculation substantially changes the number of ordinary shares to be issued than that detailed above.

As a result of this decision, both relevant Convertible Noteholders have been contacted and the Company has agreed to allow the revocation of their conversion notices.

As a result, there will be no change in the Company's capital structure, and the Appendix 3B lodged on Friday 4th May should be treated as having no effect.

Michael Silbert
Company Secretary

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