PERILYA

ASX re Mokuti Mining Limited Public Announcement 221204.doc

22 December 2004

Company Announcements Office
Australian Stock Exchange Limited
10th Floor
20 Bond Street
SYDNEY NSW 2000

Dear Sir

GEOTHERMAL ENERGY

Several years ago Perilya Limited, in a 50/50 joint venture with Greenrock Energy Pty Ltd, applied for Geothermal Exploration Licences surrounding WMC Resources Limited's Olympic Dam Copper and Uranium deposit in South Australia. Perilya Limited subsequently assigned its interest to a wholly owned subsidiary.

The Geothermal Exploration Licences were granted in June of this year. Prior to and with the grant of the licences the joint venture has undertaken studies into the technical and commercial considerations to be addressed in successfully establishing a geothermal energy project within the licence area. The results of these studies have been encouraging.

The next phase of the evaluation process will involve drilling of geothermal exploratory wells to optimise the location of the first geothermal well.

The shareholders of the joint venturers have resolved to sell their shareholding in the two joint venture companies to Mokuti Mining Limited ("Mokuti"), a public company listed on the Australian Stock Exchange.

On conclusion of the sale, which is subject to the approval of the Mokuti shareholders, Mokuti will own all of the shares in the two joint venture entities, giving Mokuti a 100% interest in the project. Perilya Limited and the shareholders of Green Rock Energy Pty. Ltd. will together have a 39% interest in Mokuti, with Perilya Limited holding 7.5 million fully paid ordinary shares and 7.5 million performance shares which are convertible to fully paid ordinary shares upon drilling of a geothermal exploratory well on the tenements.

Mokuti will be positioned to rapidly evaluate the potential of the Olympic Dam geothermal licences and to pursue opportunities generally in the growing "green" energy sector.

Yours faithfully
PERILYA LIMITED

JOHN TRAICOS
Company Secretary