ASX Release

EQX mobilises contractor to begin work on the Alam Duta permit

27 May 2008, Perth: The Board of Directors of EQiTX Limited (ASX: EQX) is pleased to provide shareholders with an update on the progress being made with its interest in the Alam Duta mineral permit located in Kintap, South Kalimantan.

The Company has today agreed terms with mining contractor PT. GSB Resources (GSB) to conduct mining and other services including the removal of overburden at the Alam Duta site, mining of the coal and hauling the coal stockpile to the port. It is anticipated it will be a four year contract, and an initial payment of $US1.126 million has been paid to GSB to commence mobilisation of its equipment and work force to the mine site in Kintap, and to construct the camp, workshop and office complexes.

Specific work under the contract includes:

- Topsoil removal to stockpile, and subsequent re-spreading of topsoil;
- removal of prime waste to enable exposure of coal;
- mining of coal;
- transport of run of mine coal to the coal crusher located at the port;
- construction and maintenance of mine haul roads;
- water and drainage management;
- rehabilitation and environmental management; and
- all other activities associated with coal mining at the site.

PT GSB Resources is a PMA company operating throughout Indonesia providing contract mining services, mine construction, mineral exploration and mine management services. GSB is headed up by a team of expatriate and local professionals with significant experience with major international contract mining companies, and currently has approximately US$400 million dollars of mining services work under contract.

EQX is also pleased to advise shareholders that Andrew Kerr has joined the Company as Operations Manager. Andrew was most recently with a major Australian mining contractor and has had extensive background in the coal industry and specific experience in working in Indonesia. Andrew's key responsibilities will be to manage the entire Alam Duta site with particular focus on ensuring that coal production and quality is optimised through the mining, transport, crushing, stockpile and port operations. He will also be responsible for planning and scheduling production to ensure that product tonnage and quality is available to meet sales requirements as well as providing training and development to local staff to upgrade their technical and management skills.

Andrew will be employed through EQX's 51% owned Indonesian subsidiary company, PT Krypton Mining, and will report to Jim Dracopoulos who will join EQX as Managing Director once shareholders approve all the resolutions associated with the change of direction of the Company. The General Meeting to consider these resolutions will be held in early July 2008 and the Notice of Meeting and accompanying Explanatory Statement will be mailed to shareholders in the next week.

EQX has acquired a 51% interest in the net profits from the Alam Duta permit and will be working with Joint Venture partner PT Mega Coal Indomine (Mega Coal) to optimise the resources available. The permit, held by PT. Alam Duta Kalimantan, is adjacent to other permits being considered by EQX and the expectation is that EQX will go into coal production on this permit in the 3rd quarter of 2008.

Commenting on the commencement of the contract with GSB, EQX Chairman Geoff Gander said, "We are delighted to have reached this point in the refocused Company's short history and with the experience of Jim and Andrew leading us on the ground in Kalimantan, the Board is confident of becoming a coal producer in the near term."

If shareholders have any questions, regarding this announcement, they should contact Geoff Gander on 0417 914 137.

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