PELICAN RESOURCES LIMITED

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FOR IMMEDIATE RELEASE

MEMORANDUM OF UNDERSTANDING WITH ALTAI PHILIPPINES MINING CORPORATION (ROMBLON PROJECT)

Pelican Resources Limited advises that its wholly owned subsidiary, Sunshine Gold Pty Ltd (Sunshine), in conjunction with its Philippines subsidiary, Sunpacific Resources Philippines Inc (Sunpacific), and its Philippine venture partner All-Acacia Resources Inc (All-Acacia) (the Joint Venture), have entered into a Memorandum of Understanding (MOU) with Altai Philippines Mining Corporation on the pending Mineral Production Sharing Agreement (MPSA) Application No AMA–IVB–025 located in the Municipality of San Fernando, Sibuyan Island, Province of Romblon, Philippines. The equity participation in the Joint Venture will be Sunshine 40%, Sunpacific 35% and All-Acacia 25%.

The MOU provides for the payment of US$35,000 upon execution of the MOU for a three month due diligence period. Upon the completion of a satisfactory due diligence a further US$35,000 is payable where the Joint Venture is granted an irrevocable option to acquire the project.

The Joint Venture may exercise the option to acquire the project area for Can$1.3 million within 90 days of the approval by the regulatory bodies, of the grant of a MPSA. The Agreement provides that the initial payment and the payment at the completion of the due diligence totaling US$70,000 will be deducted from the purchase price of the tenements of Can$1.3 million.

The Company aims to establish a nickel laterite direct ore shipping operation similar to an iron ore mining project. Such an operation minimises the risks associated with building and operating a lateritic nickel plant and is suitable for a smaller resource which cannot justify a stand alone plant. Ore haulage costs would be minimal as the laterites are located within a few kilometers from the coast.

Exploration was undertaken in the 1970s by two Japanese companies, namely Pacific Metals Company and Mitsui Mining.

Mitsui Mining established a nickel laterite resource for three areas of the MPSA application, namely the Bato, Binaya-An and Taclobo areas. The data was examined and the resource estimate reviewed by a competent person in Dr John Hills. The results of the resource estimates are based on a total of 431 test pits. In the Bato area the pits were excavated on a 100 by 100 metre grid. The estimates would be compliant to the Inferred Mineral Resource category of 7.26 million tonnes averaging 1.54% nickel at a cut-off grade of 1.3% nickel.

Romblon Project Mineral Resource Estimate

Prospect	**Inferred Resource**	
	Tonnes ('000s)	**Grade %Ni**
Bato	3,455	1.48
Binaya-An	881	1.70
Taclobo	2,924	1.55
Total	7,260	1.54

There is potential to expand and upgrade the resource by further drilling and test pitting.

The Company anticipates commencing the due diligence processes immediately following the initial payment.

- Ends -

For further information:

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