

22 July 2008

Company Announcement Office  
Australian Securities Exchange Limited

## Corporate Update

### ***Tiaro Commences Seismic Survey over Tiaro Coal Measures***

Following completion of a high-resolution airborne geophysical survey over the Tiaro Coal Joint Venture (**TCJV**) tenements the Company developed detailed plans for a seismic survey.

The airborne survey provided high quality magnetic and radiometric data, which was used to map geological units and structure prospective for coal to support the seismic survey.

This seismic survey has now commenced and will acquire approximately 38 line kilometres of data, spread over all four granted exploration for coal (**EPC**) areas of the TCJV joint ventures.

The information derived from these surveys will be used for delineation of targets to be tested by drilling in the last quarter of 2008 as the next stage of the exploration programme.

### ***Dynasty - \$750,000 Initial Funding Received***

The Company advises that it has now received payment of \$750,000 pursuant to the Farm-In Agreement between Tiaro Coal Limited (**Tiaro**) and Dynasty Metals Australia Limited (**Dynasty**) with respect to EPC 956 and EPC 957 (**Dynasty Earning EPCs**).

This contribution to exploration expenditure will be spent on a seismic lines program and a targeted drilling program programmed for completion in the final quarter of 2008.

Following this initial contribution, Dynasty is now able to earn up to 51% of Tiaro Energy Corporation Pty Limited's (**TEC**), a wholly owned subsidiary of Tiaro, interest in the Dynasty Earning EPCs through progressive payments of up to \$5 million.

### **Tiaro Coal Joint Venture**

The TCJV holds EPC 956, 957, 967, 972 and EPCA 1151 which is under application.

These tenements cover most of the known exposures of the Tiaro Coal Measures within the Mesozoic Maryborough Basin, located between Gympie and Maryborough in southeast Queensland.

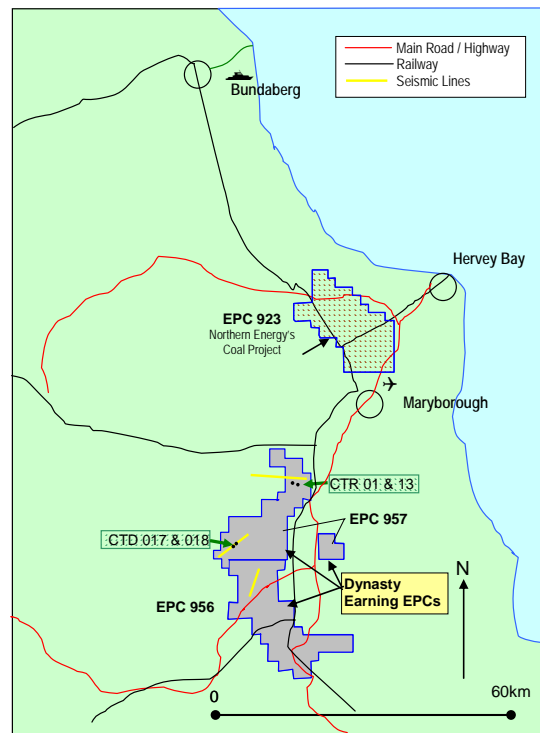
The TCJV was formed in 2005 to undertake exploration in the Tiaro Coal Measures on the basis of wide ranged scout drilling to identify the existence of an economic coal mineralization.

To date 53 holes (50 open holes and 3 diamond holes) have been completed for a total of approximately 5000 metres (average depth of a hole is 94 metres).

Coal intersections were made in several holes.

The exploration tenements are well serviced by nearby infrastructure, including manpower, mining support services, road and rail and port facilities.

The TCJV exploration tenements are located approximately 250km from Gladstone coal terminal by rail and approximately 200 km from the Brisbane terminal. The rail line bisects the exploration tenements.



**For further information please contact:**

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