



ALBIDON LIMITED

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APPOINTMENT OF VOLUNTARY ADMINISTRATORS

The Board of Albidon Limited ("Albidon") wishes to announce the appointment of Messrs Mel Ashton and Damian Templeton, Chartered Accountants, of KPMG, as joint and several Administrators of Albidon.

The Board has concluded that this action is the only available means for the company to continue operating in order to complete the financing transaction with Jinchuan Group Ltd ("Jinchuan") as announced on 3 March 2009 (the "Transaction").

The Transaction proposed funding in three tranches which would allow the Munali Nickel Project to be placed on care and maintenance until nickel prices improved and the mine could be restarted.

Tranche 1 (US\$1.8 million) funding was received and Munali was placed on care and maintenance. Tranche 2 (US\$7 million) has yet to be received as some of the conditions have yet to be completed. Jinchuan has concluded its due diligence on Munali and has entered into a Heads of Agreement with Barclays Capital and European Investment Bank (together, the "Senior Lenders") and Albidon (the "HOA"). They have not yet entered into a HOA with Barclays Zambia in regard to the equipment leases.

As a result, Tranche 2 funding has been delayed and there are no arrangements in place for Albidon to secure further funding to meet ongoing costs while an agreement is being negotiated between Jinchuan and Barclays Zambia.

The directors believe the voluntary administration process should allow the company to continue working to finalise the current agreements and secure new funding so the company may eventually recommence trading as a going concern.

The appointment of Administrators is limited to Albidon Limited. No such appointment has been made over any of Albidon's subsidiaries.

The Administrators request that Shareholders continue to monitor Stock Exchange announcements for updates.

For urgent enquiries please direct your queries to:

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