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Company Announcements Office
 Australian Stock Exchange
 20 Bridge Street
 SYDNEY NSW 2000

RESULTS OF COAL PROJECT REVIEW

Pacific Enviromin Limited (PEV) is pleased to release the main findings from a review of its coal projects in the Bowen, Surat and Clarence-Moreton Basins.

The review by consulting geologist, Mr Paul Rayment, confirmed potential for discovering coal resources at six of the company's projects. The most prospective are those overlying the down-dip extension of coal measures mined in adjoining or nearby mining leases. While there is a high-level of confidence the coal seams continue into the Company's tenements, it will be necessary to undertake more exploration, including drilling, before releasing any resource statements.

Table 1 – Project Areas

Project	EPCs	Remarks
Cooroorah - Bluff	1827 & 1798	EPC 1827 Cooroorah, already granted is a prospective underground coal resource; more deep drilling required.
East Acland	1979	Application area; identified exploration target for open-cut coal; scout drilling required
North Comet	1996 & 1997	Application Areas; Prospective for open-cut coal in Burngrove Formation & for underground coal in German Creek Coal Measures; scout drilling required
Mt Hillalong	1824	Application Area; Prospective for open-cut & underground coal in Rangal Coal Measures; scout drilling required
East Wandoan	1955 & 1987	Application Areas; Prospective for open-cut coal in Taroom Coal Measures in EPC 1955 and far northern part of EPC 1987; scout drilling required
South Hillalong	1645, 1773, 1866 & 1867	EPCs 1645 & 1866 are subject to competitive applications; prospective underground coal resource in Rangal Coal Measures in EPC 1866; open-cut coal potential elsewhere in Fort Cooper Coal Measures; drilling required

A summary of the review's findings for the six areas, listed in Table 1, is given below.

Cooroorah–Bluff Project (EPCs 1827 & 1798)

The Cooroorah–Bluff Project consists of one granted EPC and one EPC application, respectively centred 20 km north-northwest and 15 km east of Blackwater in Central Queensland (Figure 1). The tenements cover a combined area of 10 sub-blocks (31.56 km²) and were acquired by PEV's subsidiary, Area Coal Pty Ltd, to explore for open cut and underground coking and thermal coal resources suitable for export.

The main area of interest is west of the Jellinbah Fault in the southern two thirds of EPC 1827 (Figure 1). This area contains Rangal Coal Measures at underground mining depths ranging from 300-400 m. The main target is the Aries Seam, which has a working thickness of 3-4 m. Coal from this seam normally has medium ash, low volatile and low sulphur properties, which makes it ideal for export PCI markets. The Minserve Group Pty Ltd in late 2009 reviewed this area for PEV, and identified an exploration target of 45-65 Mt of underground PCI coal. Their conclusion was based on, and identified, from seven deep stratigraphic holes that were drilled in, or adjacent to, EPC 1827 by the Geological Survey of Queensland in the 1970's. This information was initially reported in the Company's announcement dated 19 November 2009 "Exploration Target Identified". The potential quantity and quality of identified exploration targets are based on limited data and to date there has been insufficient exploration to define a Mineral Resource and that it is uncertain if further exploration will result in the determination of a Mineral Resource. More drilling is required to upgrade the underground coal potential to at least a minimum inferred resource category.

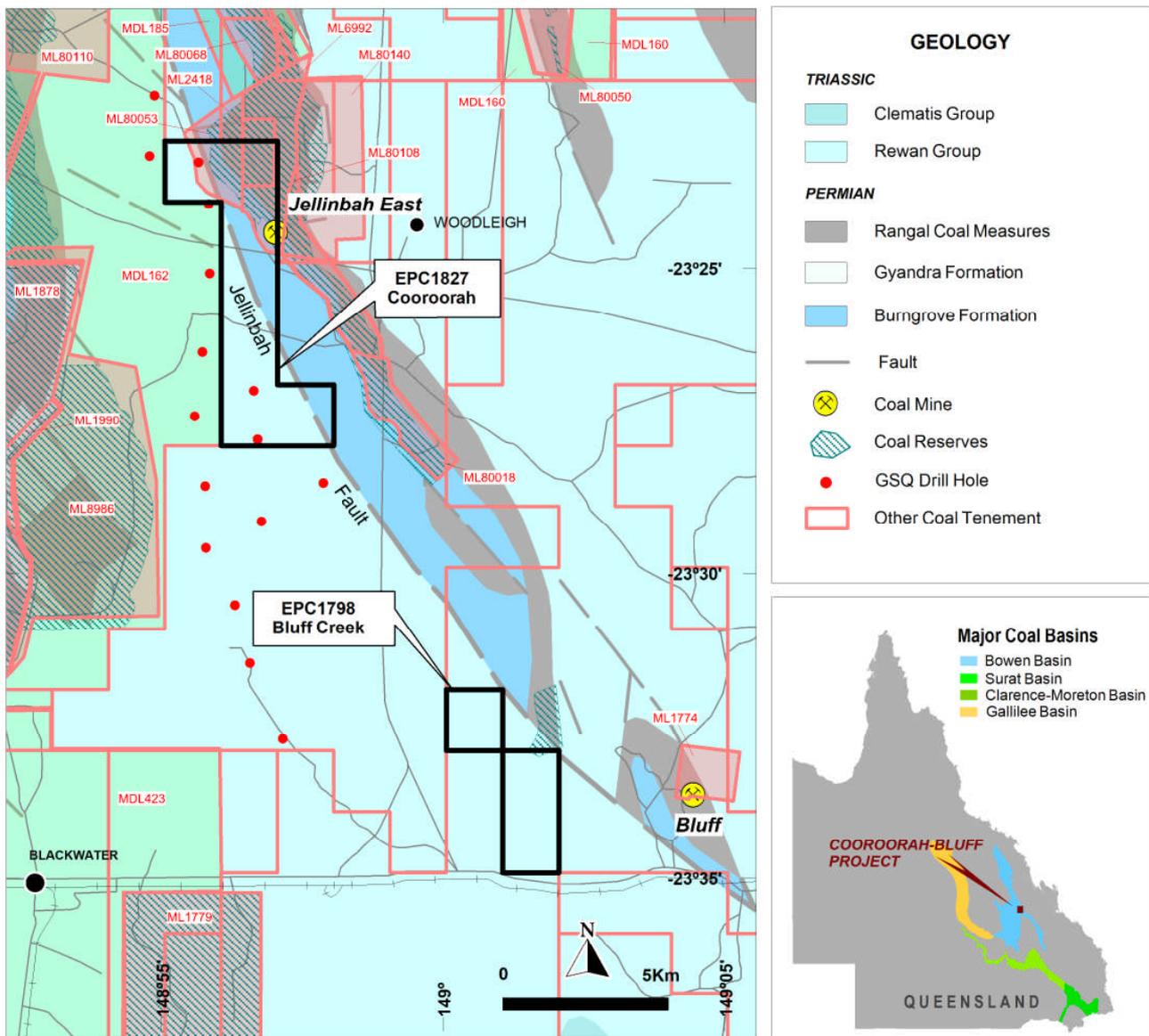


Figure 1: Location and Geology

The project has superior infrastructure with major open cut and under-ground coal mines nearby. The Central Railway passes through Blackwater and provides access to Gladstone's coal loading terminals. Roads, water and manpower are all available in the area.

East Acland Project (EPC 1979)

The East Acland Project consists of EPC application 1979, which is 10 km northwest of Toowoomba and 8 km southeast of the New Acland coal mine in southeast Queensland (Figure 2). The EPC is 51 sub-blocks (155.4 km²) and owned by PEV's subsidiary Mining Investments One Pty Ltd. It was acquired to explore part of the Clarence-Moreton Basin, along strike of the New Acland coal mine, for open-cut, thermal coal deposits in the Walloon Coal Measures.

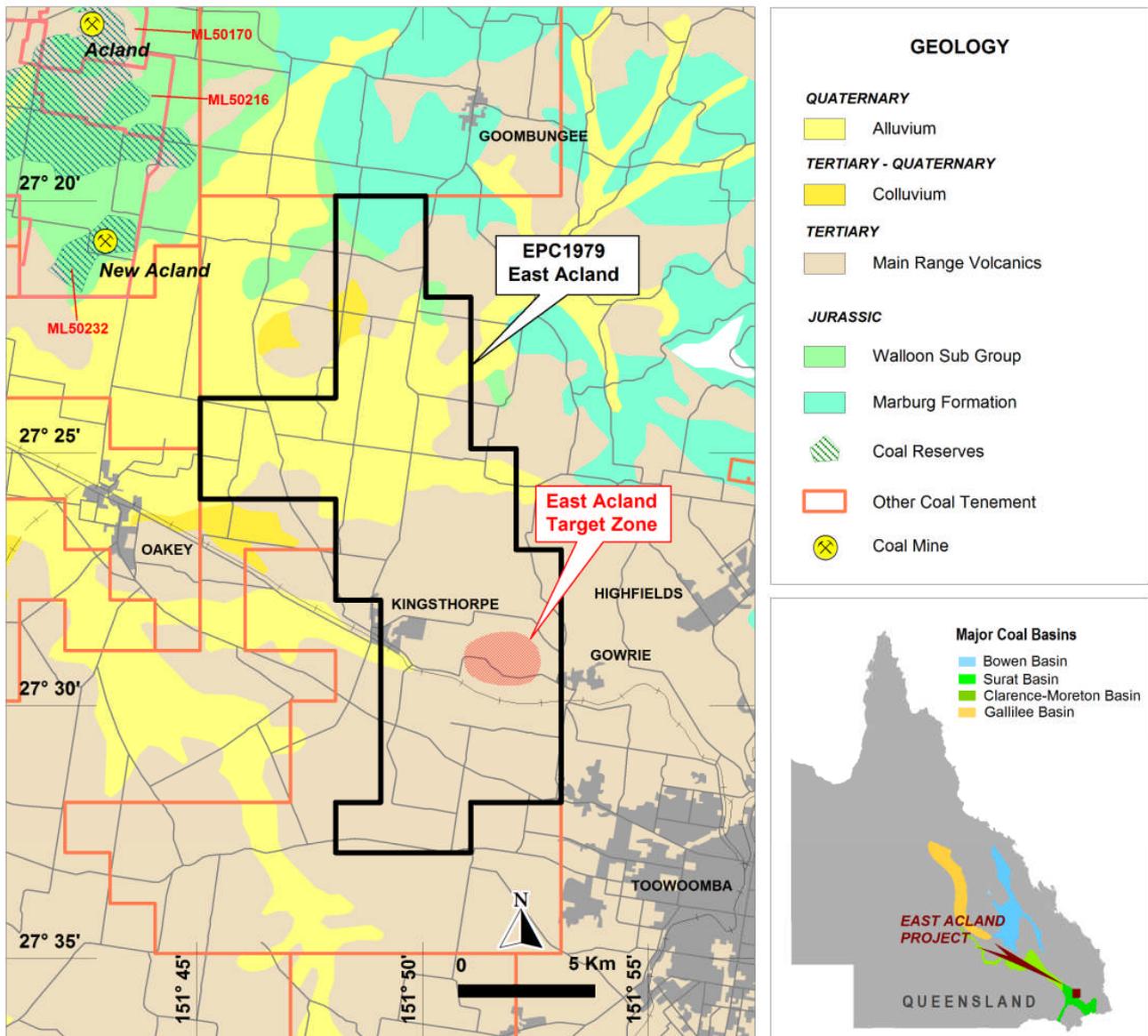


Figure 2: Location and Geology

Coal seams in the EPC are in the Taroom Coal Measures that underlie the area. Basalt cover throughout most of the EPC has impeded earlier exploration. An assessment of previous work shows there are areas having no or minimal basalt cover, with the most obvious being a 4 km x 2 km zone between Kingsthorpe and Gowrie (Figure 2). Exploration proposed for EPC 1979 will target the strike extension of the thick, highly banded, coal seams mined at New Acland. The coal here has high calorific values (CV) and low greenhouse gas emissions, with low nitrous oxides, carbon dioxide and sulphur values.

The East Acland Project is well situated with respect to infrastructure such as roads, rail, power and labour. Nearby coal based power stations are at Oakey, Tarong and Ipswich. Export coal is railed to the 5 mty capacity Port of Brisbane, 180 km to the east.

North Comet Project (EPCs 1996 & 1997)

The North Comet Project in the Central Bowen Basin comprises EPC applications 1996 and 1997 centred 50 km north-northwest of Blackwater. Both applications are held by Mining Investments One Pty Ltd and together total 14 sub-blocks in three groups. EPC 1996 comprises 10 sub-blocks in two groups that are centred 8 km apart. EPC 1997 is 4 sub-blocks and 10 km to the northwest (Figure 3).

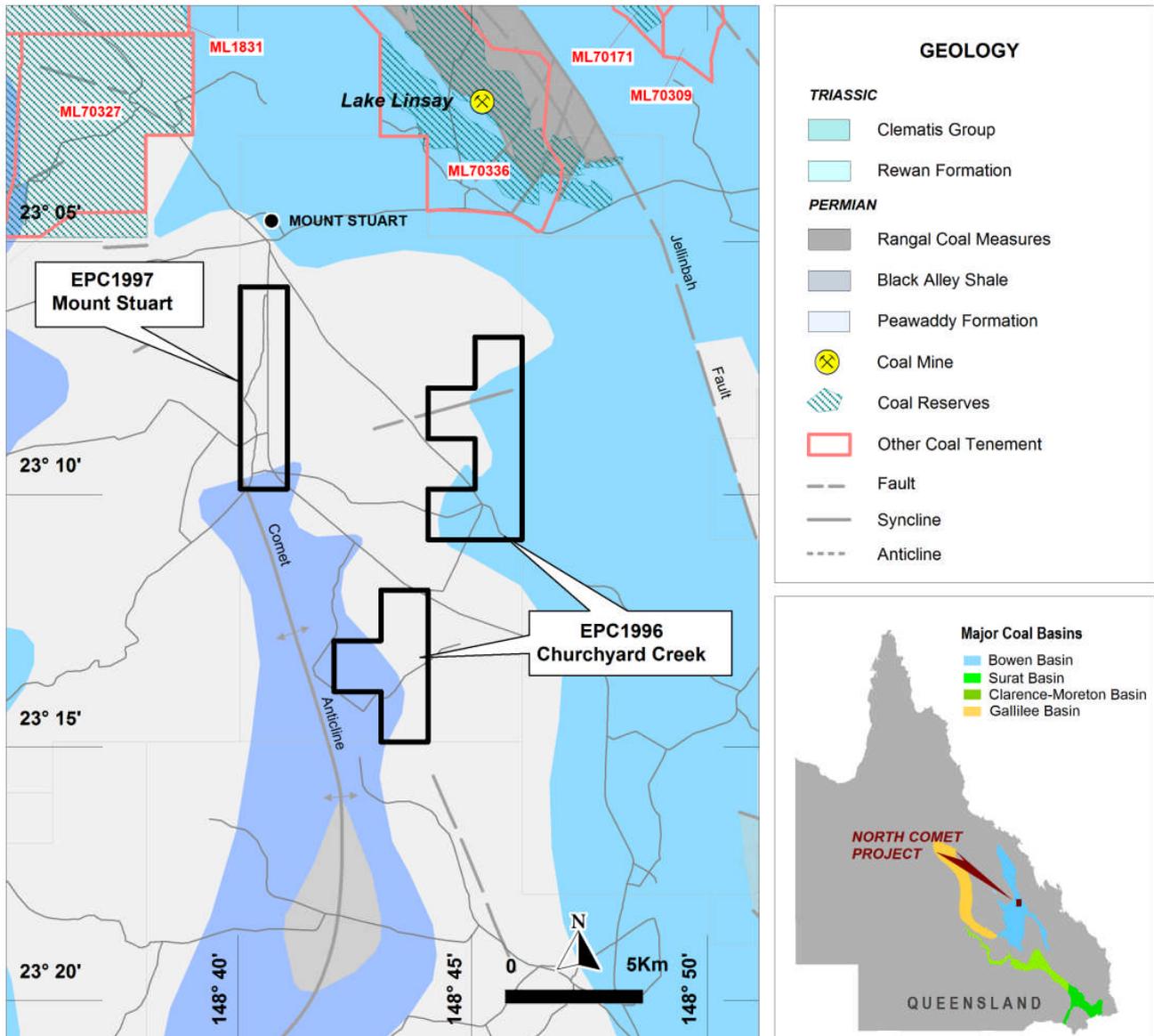


Figure 3: Location and Geology

The northern six sub-blocks of EPC 1996 are shown to be prospective for open cut coal resources in the Burngrove Formation. EPC 1997 and the remaining part of EPC 1996 overlie German Creek Coal Measures. However these are around 100–350 m deep, which limits the potential for open cut mining in this area. Also, coal seams in the German Creek Coal Measures are likely to be thinner than those mined elsewhere. Moreover, it is possible that concealed igneous intrusions exist in the project area, which could adversely affect coal quality.

The North Comet Project has sufficient exploration potential to justify a drilling programme to test the open cut coal potential in the Burngrove Formation. Local infrastructure, including road, rail and power are reasonably developed.

Mt Hillalong Project (EPC 1824)

EPC application 1824 comprises 15 sub-blocks (47.99 km²) centred on the Mount Hillalong Homestead which is 65 km northwest of Nebo in central Queensland (Figure 4). The Burton and Hail Creek coal mines are 14 km south and 18.5 km south-southwest of the Mt Hillalong EPC, respectively. EPC 1824 was acquired by Area Coal Pty Ltd to explore the Rangal Coal Measures for near surface coal resources.

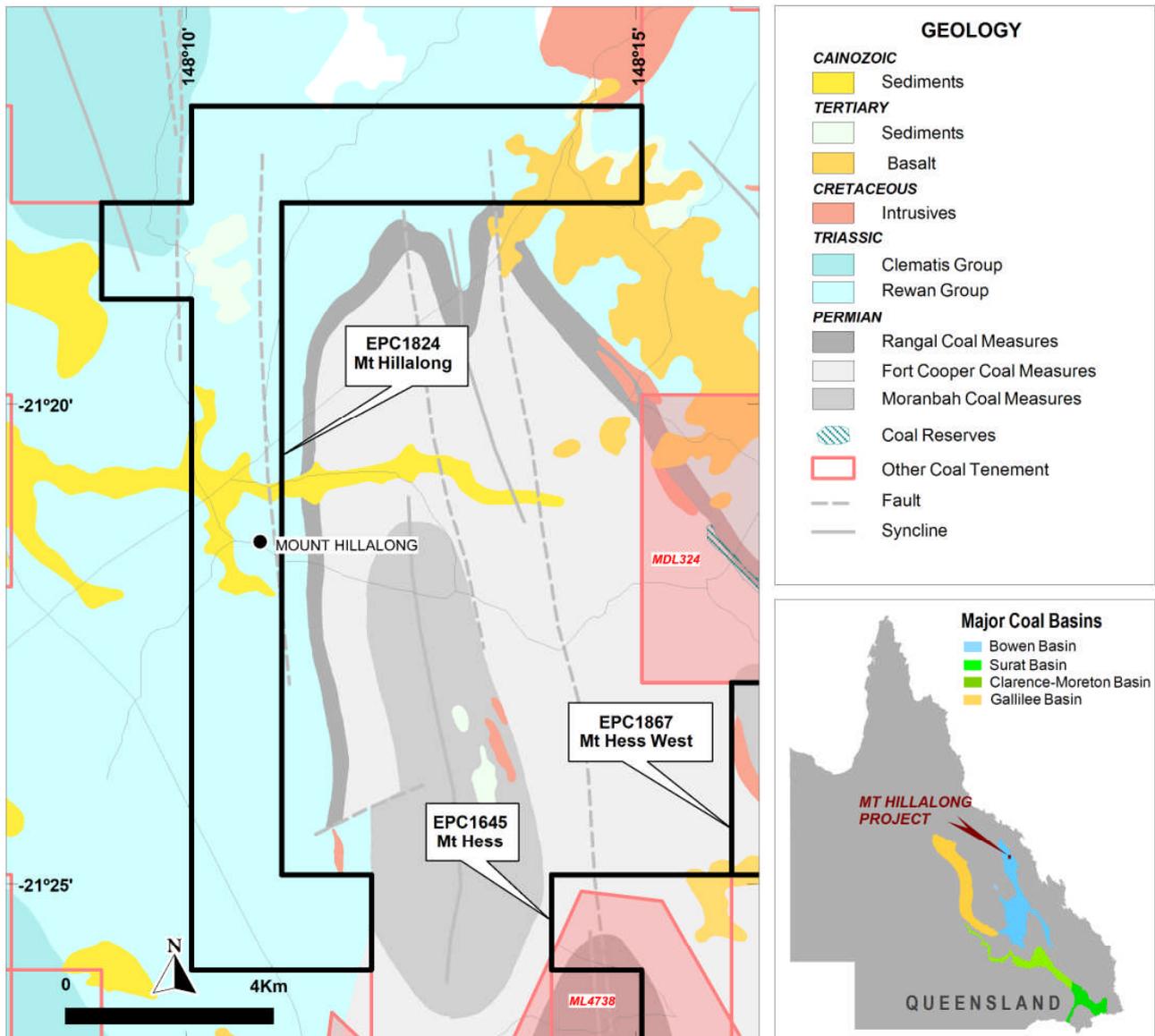


Figure 4: Location and Geology

EPC 1824 is underlain by the Rangal Coal Measures. Coal seams in this formation are likely present at depths within the limits of open cut mining. Previous exploration has been superficial and of a regional nature with no drilling being undertaken within EPC 1824. The EPC has sufficient exploration potential for open cut coal resources to warrant further exploration including drilling.

The area is well served with infrastructure with major nearby coal mines located to the west, south and east. The Hail Creek railway is 18 km to the southeast and provides access to Mackay's export coal loading terminals.

East Wandoan Project (EPCs 1955 & 1987)

The East Wandoan Project comprises EPC applications 1955 and 1987. They total 239 sub-blocks (737.2 km²) and were acquired to explore part of the south-eastern portion of the Surat Basin for open cut, thermal, coal deposits. The applications are located between 21 km and 102 km north of Miles and 21 km east of Wandoan in southeast Queensland (Figure 5).

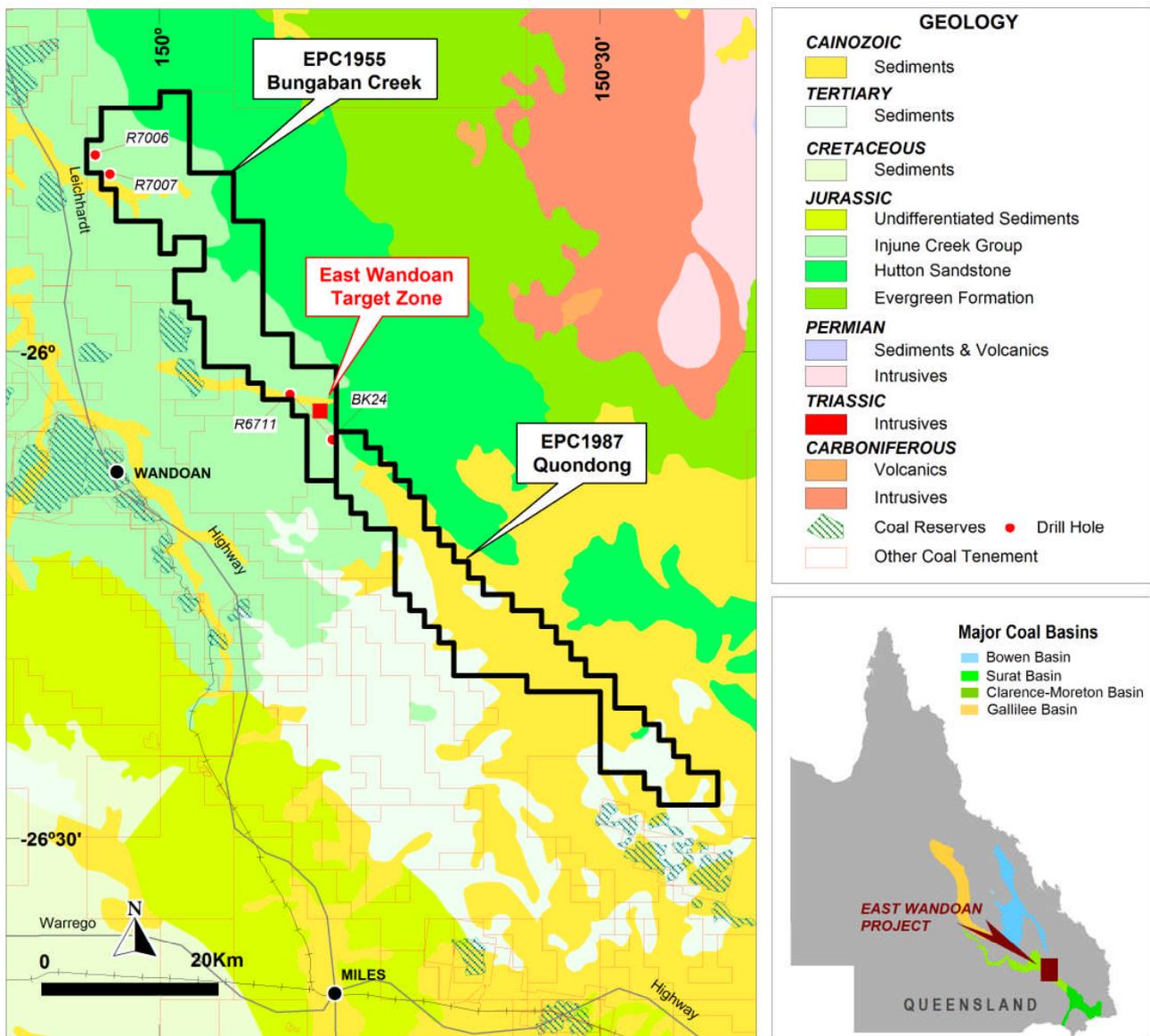


Figure 5: Location and Geology

Results of previous exploration along the north-eastern margin of the Surat Basin shows EPC 1955 and the northern half of EPC 1987 have the best potential for near surface thermal coal resources hosted within the upper part of the Taroomburra Coal Measures. A staged exploration programme including drilling and down hole geophysics is proposed for these areas.

The Surat Basin contains large reserves of thermal coal suitable for both domestic power generation and export. The project's infrastructure is reasonable, but should improve with construction of the Wandoan to Banana rail link which will connect to the export coal loading facilities at the Port of Gladstone.

South Hillalong Project (EPCs 1645, 1773, 1866 & 1867)

The South Hillalong Project comprises four EPC applications totalling 33 sub-blocks (105.5 km²). They are located in the north Bowen Basin close to operating coal mines and are centred near Mt Hess, which is 20 km northeast of the Burton Coal Mine (Figure 6).

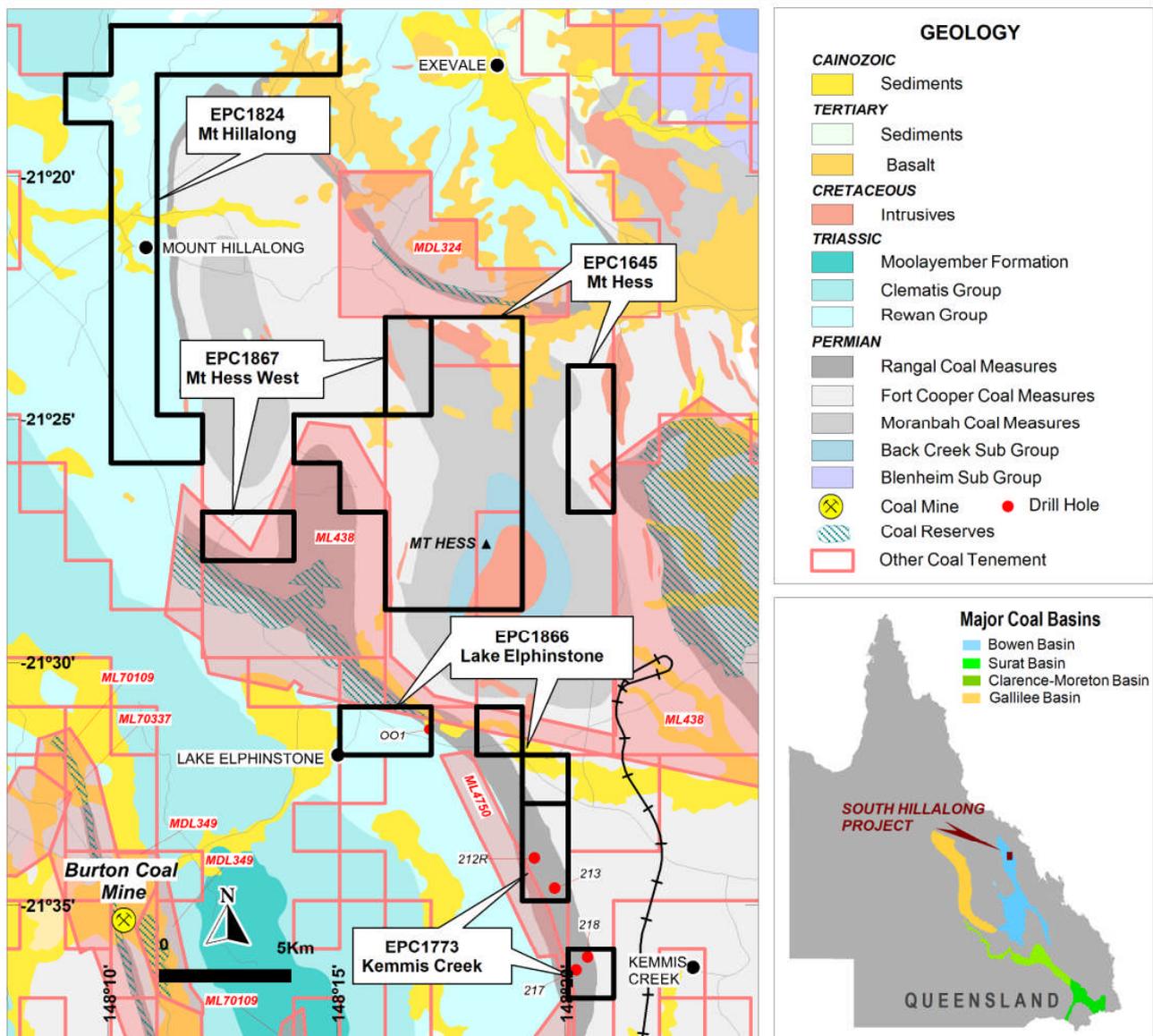


Figure 6: Location and Geology

EPC 1645 and EPC 1866 are subject to competitive applications from other parties.

The EPCs cover both the prospective Rangal and Fort Cooper Coal Measures that have been structurally disturbed and in some areas affected by igneous intrusions. Also, they have not been adequately explored with much of the previous exploration being superficial, though a few holes have been drilled.

A 10 m thick coal seam in the Rangal Coal Measures was intersected between 104 m and 114 m depth in drill hole 001 (E954001). The hole was drilled by Bowen Central Coal Pty Ltd in 2007 and was sited near the eastern boundary of EPC 1866 (Figure 6). This is the only hole drilled in the immediate area for which data is available and indicates potential for an underground coal resource in this two sub-block area. Assuming favorable structural conditions exist, and the coal seam has an average mineable thickness of 8 m and is continuous throughout the central sub-block, there is an exploration target of 25-30 Mt of underground coal. No coal quality analysis was undertaken. However the geophysical log for drill hole 001 shows the coal is basically free of stones and is likely to have low ash. Coal from the Rangal Coal Measures at the nearby

Burton and Hail Creek coal mines is non-coking, low volatile, bituminous to semi-anthracite, which is ideal for export PCI markets.

The EPCs in the South Hillalong Project, apart from the western sub-blocks in EPC 1866, are underlain by the Fort Cooper Coal Measures. Coal seams in this formation have high ash and have historically been of low commercial interest. However, in today's market the economic potential of these seams may need to be re-evaluated. Regional maps indicate the Moranbah Coal Measures are likely present throughout much of EPC 1645.

The South Hillalong areas have good infrastructure with major nearby coal mines to the west, south and east. The Hail Creek railway is 15 km to the southeast providing access to the Mackay coal loading terminals. Roads, water and manpower are all available in the area.

The South Hillalong Project has potential for open mineable coal resources and therefore justifies further exploration including drilling.

The potential quantity and quality of identified exploration targets are based on limited data and to date there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

PEV is exploring several opportunities including joint venture development, joint venture exploration or outright sale. We are very aware of other major players operating in the same geological areas with developed resources and expect that a number of development opportunities will arise from these strategic holdings.

The philosophy of PEV's management has been to secure strategic tenure by identifying available tenements close to operating mines or in areas with proven or potential in-ground resources in regions suitable for short term development.



John Bovard
Non-executive Chairman

Competent Person Statement

The information in this announcement that relates to exploration targets is based on information compiled by Mr Paul Rayment, an independent consulting geologist who is a Member of the AusIMM. Mr Rayment qualifies as a Competent Person as defined by the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2004) and consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.