

Friday, 14 December 2007

MARKET ANNOUNCEMENT

Value of Return of Capital and Reduction in Exercise Price of Options

Value of Capital Return

The Company refers to an in specie distribution of 16 million Alara Uranium Limited (**Alara**) shares (**In Specie Distribution**) to be effected by the Company undertaking an equal reduction of share capital (**Capital Return**), which was approved by shareholders at the recent 2007 Annual General Meeting.

The In Specie Distribution was effected by the transfer of 16 million Alara shares to eligible Strike shareholders on 13 December 2007 (**In Specie Distribution Date**).

The value of the Capital Return is calculated by reference to the market value of Alara shares on the In Specie Distribution Date, which was 12.0 cents per share, making the total value of the Capital Return \$1,920,000 or 2.2 cents per Strike share.

The table below provides illustrations of the number of Alara shares distributed in specie and the value of the Capital Return based on different Strike shareholdings held as at the record date (on 10 December 2007):

Number of Alara Uranium Limited (AUQ) shares distributed in specie under the Capital Return	16,000,000
Market value of AUQ shares (cents)	12.0
Total value of Capital Return	\$1,920,000
Value of Capital Return per Strike share (cents)	2.2

Illustrative In Specie Distribution Schedule

Number of Strike shares held as at the record date	% of Strike's Issued Capital	Approximate Capital Return Details	
		No. of AUQ Shares Distributed In Specie	Value of Capital Return
1,000,000	1.16%	185,373	\$22,245
500,000	0.58%	92,687	\$11,122
200,000	0.23%	37,075	\$4,449
100,000	0.12%	18,537	\$2,224
75,000	0.09%	13,903	\$1,668
50,000	0.06%	9,269	\$1,112
25,000	0.03%	4,634	\$556
10,000	0.01%	1,854	\$222
5,000	0.01%	927	\$111
1,000	0.001%	185	\$22

The Company will despatch to affected Strike shareholders on 17 December 2007 their Alara holding statement/CHESS notice and a Capital Return Statement advising the number of Alara shares distributed and the value of their Capital Return.



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Reduction in Exercise Price of Options

The Capital Return will also have the effect of reducing the exercise price of existing Strike options which remain unexercised after the record date by the value of the value of the Capital Return per Strike share.

The table below lists the Company's options on issue and the change in their exercise price as a consequence of the Capital Return:

	Number of Options	Pre Capital Return Exercise Price per option	Amended Exercise Price per option
\$0.20 (30 June 2008) Listed Options	3,106,748	\$0.20	\$0.178
\$0.20 (9 February 2011) Unlisted Options	1,833,333	\$0.20	\$0.178
\$0.30 (9 February 2011) Unlisted Options	1,666,667	\$0.30	\$0.278
\$0.96 (21 July 2011) Directors' Options	4,600,000	\$0.96	\$0.938
\$0.96 (13 September 2011) Unlisted Director's Options	500,000	\$0.96	\$0.938
\$1.20 (6 October 2011) Unlisted Employee's Options	150,000	\$1.20	\$1.178
\$2.10 (7 March 2012) Unlisted Director's Options	500,000	\$2.10	\$2.078
\$2.81 (7 March 2012) Unlisted Directors' Options	3,300,000	\$2.81	\$2.788
\$2.90 (1 May 2012) Unlisted Employee's Options	133,000	\$2.90	\$2.878
\$2.90 (5 September 2012) Unlisted Employee's Options	200,000	\$2.90	\$2.878
\$2.90 (17 November 2012) Unlisted Employee's Options	250,000	\$2.90	\$2.878
\$4.00 (3 December 2012) Unlisted Directors' Options	4,000,000	\$4.00	\$3.978

The Company will despatch to Strike optionholders on 17 December 2007 their amended option holding statement/CHESS notice (containing an amendment to the exercise price of their options) and notice of the value of the reduction in the exercise prices of their Strike options.

For further information:

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