

## **ASX ANNOUNCEMENT RE: COI ROYALTY AND CAPITAL RAISING UPDATE**

**28 JUNE 2007**

### **PURCHASES THE TIPTON WEST COAL SEAM GAS ROYALTY**

The Directors of Pure Energy Resources Ltd (Pure Energy) (ASX: PES) are pleased to announce the Company has exercised its Option to purchase the Tipton West Coal Seam Gas Royalty Stream from Comet Ridge Limited (Comet) (ASX: COI).

The Option Agreement granted Pure Energy an exclusive option to purchase the Tipton West Gross Royalty (TWGR) for \$ 3 million. The Option was exercisable any time up to and including the 29 June 2007, and was subject to certain due diligence criteria.

In exercising the Option, Pure Energy will acquire the royalty over coal seam gas (CSG) sales from the Tipton West gas field and associated permits - ATP's 683, 689 and PL198, located in the south east of Queensland and operated by Arrow Energy NL (Arrow) (ASX: AOE).

The TWGR has the potential to generate up to \$8 million in royalties from combined CSG sales from these areas, thereby providing a substantial cash flow base towards Pure Energy's planned development of its significant asset portfolio both in Queensland's Bowen Basin and Tasmania.

### **PURE PLACEMENT RAISES \$5.25 MILLION**

As previously announced Pure Energy attracted strong institutional support for an equity capital placement to raise \$5.25 million, which has now been finalised. The capital raising consisted of a share placement of 7,720,588 fully paid shares to Institutional and Sophisticated Investors at an issue price of \$0.68 per share, a premium of 7.22% on the Company's 30 day volume weighted average share price at the time of bidding.

Funds raised are to be used as follows:

- The acquisition of the Tipton West Coal Seam Gas Royalty Stream.
- Accelerate the appraisal and development of its Bowen Basin tenements including ATP852P, granted on 1 May 2007.
- Maintain Pure Energy's objective in acquiring further prospective acreage in Queensland's Bowen Basin, and
- Contribute towards working capital.

## SHARE PURCHASE PLAN

Also as previously announced, Pure Energy is proceeding with a Share Purchase Plan (SPP). All shareholders on our register as of Thursday, 28 June 2007 (the record date) have the opportunity to participate in the proposed raising of up to \$2 million under the SPP at an issue price of \$0.69 per share (maximum discount allowed under LR7.2 exception 15).

## INDICATIVE DATES

The indicative timetable for the SPP is shown below. Full details of the offer will be sent to Shareholders by Thursday 5 July 2007. Acceptances pursuant to the SPP will close at 5pm wst on Thursday 26 July 2007. Allotment and dispatch of holder statements is expected by Thursday 2 August 2007.

Record Date of participants in the SPP	28 June 2007
SPP Materials dispatched to shareholders (on or before)	5 July 2007
Closing time and date for acceptances together with payment in full	26 July 2007
Allotment and dispatch of holding statements	2 August 2007

### For and on behalf of the Board of Directors

**Geoff Hewett**  
Company Secretary

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Page 2