



W R F SECURITIES LTD

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3 November 2006

The Manager
Company Announcements Office
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Dear Sir/Madam

**Company Announcement:
Settlement of Legal Dispute**

On 18 September 2003, Terramin Australia Ltd (“**Terramin**”) filed a claim against WRF Securities Ltd (“**WRF**”) in the District Court of South Australia and, on 8 April 2004, Terramin made a separate claim against AXG Mining Limited (“**AXG**”) in the District Court of South Australia arising from a former Joint Venture Agreement dated 25 March 2002.

The actions were merged into a single claim on 22 June 2004.

WRF advises that at a mediation conducted on 30 October 2006, the parties reached a commercial settlement in relation to all issues arising in relation to the proceedings.

The terms of the settlement are subject to a confidentiality clause. However, WRF is able to advise that the settlement payment, which is to be paid by the Company, will not have a material adverse effect on its financial position or performance.

Yours sincerely

Peter Webse
Company Secretary