



Narhex Life Sciences Ltd

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4 January 2013

Company Announcements Office
Australian Securities Exchange
10th Floor
20 Bond Street
SYDNEY NSW 2000

Dear Sir

EPC 2769 GLASTONBURY– EXTENSION OF OPTION

Narhex Life Sciences Limited (ASX: "NLS") ("**Narhex**" or "**Company**") wishes to advise that that it has reached agreement with Coalplay Pty Ltd ("**Coalplay**"), the Vendors of EPC 2769 ("**Tenement**") to extend the Option period from 3 January 2013 to 31 January 2013. Consequently Narhex has until 31 January 2013 to decide whether to acquire the Tenement from Coalplay.

The terms of that Option have been previously announced and are contained in more detail in Appendix One to this announcement.

If the Company chooses to exercise the Option the ASX will cause the Company to re-comply with Chapters 1 and 2 of the ASX Listing Rules. The acquisition will be subject to all necessary shareholder and regulatory approvals.

The Board is considering its options before the Option expiry date of 31 January 2013.

Yours faithfully

Simon Lill
Director
Narhex Life Sciences Limited

Appendix One – Terms of Option Agreement

The total consideration for the purchase of the Tenement payable by the Company to the Grantor of the Option (Coalplay) will be as follows:

- the Exercise Price of \$250,000 (\$50,000 pre-paid), followed by the potential issue of:
- 50,000,000 Shares at a deemed issue price of \$0.025 per Share upon the Company identifying an inferred JORC resource level of 50,000,000 tonnes of commercial specification coking coal, or 200,000,000 tonnes of commercial specification thermal coal;
- 50,000,000 Shares at a deemed issue price of \$0.025 per Share upon the Company identifying an indicated JORC resource level of 100,000,000 tonnes of commercial specification coking coal or 200,000,000 tonnes of commercial specification thermal coal; and
- 50,000,000 Shares at a deemed issue price of \$0.025 per Share upon the Company identifying an indicated JORC resource level of 200,000,000 tonnes of commercial specification coking coal or 300,000,000 tonnes of commercial specification thermal coal.