

14 August 2007

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

Mining lease application lodged with Minister

Pacific Enviromin Limited ("PEV") is pleased to announce that it has signed the compensation agreement with Enniskillen Pastoral Company Pty Ltd, the land holder on which the Mantuan Downs bentonite resource is located. This is the last requirement for lodgement of the mining lease prior to approval by the Queensland Minister for Natural Resources. We have been advised that the approval process will take about one month. Trial mining will commence immediately after approval.

PEV also advises that it will retain 100% of the Mantuan Downs resource, and therefore will not be proceeding with a joint venture with Penfold Group company, PenX Pty Ltd as previously advised in May 2007. PEV will develop the resource through to commercialisation before discussions with possible partners, in order to optimise shareholder value. Two international industrial minerals companies which are substantial processors of bentonite will visit Mantuan Downs during September and October to evaluate potential long-term contracts.

The Company will maintain its close relationship with the Penfold Group, through David Turvey, associate member of Penfold, who will continue as a specialist industrial mineral consultant to PEV on matters relating to the development and marketing of the bentonite resource.

In addition, the Penfold Group is forming a joint venture with PEV to acquire several granted sodium bicarbonate tenements in Queensland for which a Mining Lease Application has already been lodged.

Sodium bicarbonate (baking soda) is used extensively in food manufacture and other industries. Major derivative products such as sodium carbonate (soda ash) and caustic soda are key inputs into a number of industries including glass manufacture. Currently, Australian produced sodium bicarbonate is manufactured through a capital intensive, and environmentally unfriendly, industrial chemical process.

The Roma sodium bicarbonate is contained in subterranean brine water that will be pumped to the surface. The brine can then generate the carbonate products through a number of "cleaner" processes including solar evaporation or reverse osmosis. These processes produce significant volumes of potable water as a by-product which could be made available for local use.

The tenements, located north of Roma in South West Queensland, are being acquired by the joint venture for \$200,000 in cash, and 1,500,000 PEV ordinary shares, plus a royalty of 2.5% on net sales revenue over a ten year period.

The acquisition of these sodium bicarbonate tenements continues PEV's development of a strong, diversified, industrial mineral portfolio which also contains Mantuan Downs bentonite with a multitude of uses including clarification of oils; Nepheline Syenite, which is used in glass and ceramic manufacture, and Rare Earths, including a number of elements which are important in component manufacture for the IT and communications sector.

The acquisition of the uranium prospective tenements in the Northern Territory is proceeding, with the independent valuation of the tenements by SRK, and the independent experts report by BDO, being prepared for posting to shareholders for consideration at the annual general meeting.

Yours faithfully



Brian Jones

Chairman