

# **CHROME**

## **CORPORATION LTD**

ABN 30 003 207 467

28 May 2009

Company Announcements Platform  
ASX Limited  
Level 6, 20 Bridge Street  
SYDNEY NSW 2000

## **CHROME CORPORATION PLANS UNMARKETABLE PARCEL SALE AND SHARE BUY-BACK**

### **Highlights**

- **Company will sell unmarketable share parcels and buy-back up to 10 per cent of its shares**
- **Recent asset sale has left the Company with A\$6 million cash, a further US\$11.4 million to come and no debt**
- **The search has commenced for a world-class resource project using the strong balance sheet and ability to raise further capital**

The Directors of Perth-based mining company Chrome Corporation Limited (ASX: CCI; "Chrome") wish to announce that the Company intends to conduct an **Unmarketable Parcel Sale** ("UMP") followed by an **On-Market Share Buy-Back** ("SBB") of up to 10% of the Company's issued share capital.

Under the terms of the UMP, shareholders who hold less than a marketable parcel of shares in the Company (defined as a value of less than A\$500) as at 28 May, will have holdings sold on their behalf and at no cost to the shareholder. The UMP is planned to take place on 17 July and will include all shareholdings under the A\$500 threshold unless the Company is expressly advised otherwise.

The sale proceeds from the UMP will be distributed to eligible shareholders with the Company bearing all costs associated with the sale. The UMP will enable the Company to significantly reduce the costs associated with shareholder communications and share registry maintenance, while giving small shareholders an opportunity to realise their investment at no cost.

The Company has a significant number of shareholders with unmarketable parcels, primarily as a result of the 20:1 consolidation carried out in June 2007, but also from holders who purchased shares when Chrome was known as Preston Resources Ltd in the late 1990s.

Under the SBB, the Company will conduct an on-market buy-back of up to 10% of its total issued ordinary capital after the completion of the UMP. Further details, such as the purchase price of the SBB and maximum number of shares subject to the SBB will be

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disclosed to the market before the start of the SBB and after meeting regulatory requirements.

As a result of discussions with a large number of shareholders, the Company has decided not to conduct a Share Purchase Plan (SPP), which was to be run in conjunction with the UMP, as previously advised in the 31 March 2009 Quarterly Report.

The two programs will complete Chrome's corporate housekeeping and leave it in an ideal position to start the search for a world-class resource project.

Chrome sold the Ruighoek Chrome Project in South Africa in February for A\$41 million. It has received US\$14 million of the proceeds in the first instalment allowing the repayment all outstanding debt and anticipates being paid the remaining US\$11.4 million early next year.

This will leave the Company in an exceptionally strong financial position with A\$20 million cash (depending on the A\$/US\$ movements), no debt and experienced management.

Managing Director Brian Thomas said Chrome was examining a number of acquisition opportunities involving a range of commodities. He hoped to update the market on the Company's progress in the not-too-distant future.

Yours faithfully



Brian Thomas  
**Managing Director**  
Chrome Corporation Ltd

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