



ACN 119 749 647

30 January 2009

Companies Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

Convertible Note / Director Changes

Modena Resources Limited ("Modena") has reached agreement for the issue of secured convertible notes ("Notes") with a face value of \$2,500,000, for the purpose of providing funds for ongoing participation of the company's working interest in the Bullseye Prospect and for additional working capital. The issue of the Notes has been made to sophisticated/exempt investor(s) pursuant to section 708 of the Corporations Act.

The principle terms of the Notes are as follows:

- (i) Redemption Date: 29 January 2010, with the option to extend the redemption date to 29 January 2011 at the absolute discretion of the Noteholder. Modena has right to early repayment without penalty other than interest outstanding;
- (ii) Convertible into ordinary fully paid shares at an issue price determined as the lesser of:
 - (a) 25 cents per share; or
 - (b) the price that is 80% of the volume weighted average market price of the company's ordinary fully paid shares calculated over the last 30 days on which sales were recorded before the date of conversion and issue.
- (iii) Subject to the Corporations Act, ASX Listing Rules and shareholder approval, if necessary, convertible, in whole or part, by the Noteholder at any time from the date of issue and prior to the Redemption Date. The Company undertakes to seek shareholder approval to the issue of the Convertible Notes under Listing Rule 7.4 at its next shareholders meeting;
- (iv) Shares issued upon conversion of any Note will carry standard rights applicable to quoted ordinary shares in the Company and will, from the date of issue, rank equally with fully paid ordinary shares currently on issue;
- (v) Interest rate – 12% per annum;
- (vi) The company does not intend to list the Notes for quotation on ASX and it is not obligated to do so;
- (vii) The Notes shall not provide for any voting rights at shareholder meetings of the Company;

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- (viii) Unless converted or redeemed during the term, the Notes will be redeemed at the Redemption Date at the face value of the Notes (plus accrues interest unless the Noteholder elects to be paid the accrues interest in cash); and
- (ix) The Notes will be secured by way of Deed of Charge against the net cash flow from Modena's farm-in to and participation in the Bullseye Prospect, otherwise the Noteholder will rank equally with all other unsecured creditors of the Company. The charge created by the Deed shall operate as a floating charge over the charged property.

In conjunction with the issue of the secured convertible notes, the Company will issue 10,000,000 ordinary fully paid shares to the noteholder(s), in consideration for provision of the convertible note facility.

Modena also advises that Mr Wayne Bellman has been appointed as a director of the company. Mr Bassett resigns as a director.

Wayne Bellman *BBus (Major: Accounting), GDip Portfolio Analysis and Design*

Mr Wayne Bellman is a director of Life Therapeutics Limited and has extensive experience in technology and related areas of banking and finance. Wayne has held senior executive roles with technology vendors covering solutions in retail, wholesale and funds management sectors. Wayne also has public company board experience as a former director of Admerex Limited and Australian Power and Gas Company Limited.

Yours faithfully

Craig Willis
Director
Modena Resources Limited

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