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ASX ANNOUNCEMENT

WAG LIMITED
ABN 63 008 666 233
Level 1 33 Ord Street
West Perth Western Australia 6005
T| +61 8 9420 9300
F| +61 8 9481 2690

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Company Announcements Office
Australian Securities Exchange

CLEANTECH ACQUISITION UPDATE – EXTENSION OF OPTION

WAG Limited ("WAG") wishes to advise that the exclusive Deed of Option ("Option") to acquire leading renewable energy and biochar developer Pacific Pyrolysis Pty Ltd ("PacPyro") has been extended to 31 January 2011. The extension has been mutually agreed to allow the finalisation of the proposed share sale deed as the commercialisation of the technology continues.

Contact details:

Gary Steinepreis Director – WAG Limited	John Glen Chief Executive Officer – Pacific Pyrolysis
Ph: + 61 8 9420 9300	Ph: + 61 2 9999 4733
Web: www.wagltd.com.au	Web: www.pacificpyrolysis.com

Deed of Option – as extended

The Option grants WAG the exclusive option to acquire the entire issued share capital of PacPyro for $3,750,000, to be satisfied by the issue of post-consolidation ordinary WAG shares representing 625 million pre-consolidation ordinary WAG shares (subject to mandatory ASX escrow provisions where required). The Option may be exercised at any time from the execution date of the Option until 31 January 2011.

The Option provides for WAG to commit up to $500,000 during the term of the Option as follows:

(a) $375,000 has been paid; and
(b) $125,000 – remaining to be paid.

Payment of the final tranche is subject to a number of conditions for the benefit of WAG including completion of due diligence to WAG's satisfaction, expenditure in accordance with the working capital budget and agreement of the terms of a full form share sale deed.

If WAG exercises the Option, acquisition of PacPyro will be subject to a number of conditions, including WAG raising additional capital of a minimum of $1,000,000, shareholder approval and appointment of John Glen and Adam Townley as directors of WAG.

If WAG exercises the Option to purchase PacPyro, it will constitute a change in the nature and/or scale of the activities of the Company in accordance with Chapter 11 of the ASX Listing Rules such that WAG will be required to re-comply with the admission requirements in Chapters 1 & 2 of the ASX Listing Rules.

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Pacific Pyrolysis Pty Ltd

PacPyro was formed to commercialise the market leading BEST Energies slow pyrolysis technology. The PacPyro team developed the technology and holds the exclusive licence for the slow pyrolysis technology for the Asia Pacific region including Australia, New Zealand, Indonesia, Philippines, Thailand, Japan, Taiwan and Malaysia. PacPyro's licensed technology converts low value or waste biomass into renewable energy and biochar.

Slow pyrolysis is the thermo-chemical decomposition of biomass at elevated temperatures in the absence of oxygen to produce both a synthetic gas (syngas, which has similar uses to natural gas), which can be used to generate power, and a proprietary stable charcoal product (biochar) called Agrichar™. Biochar sequesters atmospheric carbon into a very stable form of carbon on a long term basis. Agrichar™ biochar has been scientifically demonstrated to enhance agricultural production as a soil amendment.

Agrichar™ has been proven by independent trials to increase soil quality and crop yields and sequester carbon over long periods of time. The technology has been recognised by a United Nations World Environmental Day award, with Agrichar™ biochar being sought after by leading research organisations including the CSIRO, the NSW Department of Primary Industries and a number of Australian and international universities. PacPyro has rigorously researched and independently verified the dependability of their processing capability including the extensive operation of their demonstration plant, which has successfully processed a range of low-grade organics into energy and biochar on a continuous basis.

PacPyro is currently at pre-revenue commercialisation stage for licensing and construction of commercial plant but it generates small revenues for project work and as the key supplier of biochar to the leading research groups in the field, including the CSIRO-led national biochar project. The business is poised to benefit from a growing market and regulatory recognition of biomass derived biochar for improved agricultural outcomes and carbon abatement.

PacPyro owns a unique demonstration facility located in Somersby, NSW that has been developed over several years, which:

- enables production trials across an unprecedented range of feedstocks;
- demonstrates thermal and electrical energy production from syn-gas;
- produces Agrichar™ biochar to enable field scale trials for market development and product demonstration;
- allows project specific energy and mass balancing; and
- significantly de-risks the planned scale up to commercial plant size.

The Pacific Pyro team includes the financial and commercial skills of Chief Executive Officer, Mr John Glen, and Chief Financial Officer Adam Townley who are strongly supported by the in-house technical team of Adriana Downie, Robert Downie, Peter Klatt and David Lau, who have over the past five years led the primary development of the slow pyrolysis technology that PacPyro has licensed exclusively in the Asia Pacific region.

The company has a project pipeline developed in Australia and New Zealand and strategic partners that include Transfield Services (Australia) Pty Limited and other engineering groups with expertise in detailed engineering design, project management, fabrication, procurement, commissioning, operations and maintenance to ensure the PacPyro technology can be effectively deployed across a number of target markets.

In the near term PacPyro will pursue project opportunities as a technology provider or co-developer in partnership with project stakeholders, and strategic and financial partners. In the medium to longer term there is significant potential for the company as an aggregator of "green-power" from biomass and to develop and market its proprietary Agrichar™ biochar product.

WAG Limited

As previously announced, in addition to continuing its broadcasting business, WAG has been reviewing new investment opportunities and more recently signalled its intention to enter into the growing renewable and clean technology sector. To this end, Shareholders voted in March to appoint Enviro Capital Pty Ltd, a corporate advisory firm focusing on the renewable energy sector, to investigate, evaluate and present renewable and clean technology projects both in Australia and overseas and to determine if an opportunity exists for the Company to invest. The exclusive deed of option to acquire PacPyro is the direct result of this appointment and work undertaken by the WAG Board.

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