

**BUKA MINERALS LIMITED**  
**ASX ANNOUNCEMENT, 13 MARCH 2006**

**PROPOSED MERGER WITH GREENWICH RESOURCES PLC**  
**AND DANAЕ RESOURCES NL**  
**CAPITAL RAISING**

**Highlights**

- **Buka's merger partner, Greenwich, announces underwritten capital raising of £22 million (A\$52 million).**
- **Issue price of 2.42 pence (72.6 pence per consolidated Greenwich share) equates to 35.5 cents per Buka share.**
- **Issue price represents a premium of 34.1% to the current Buka share price.**
- **Directors continue to unanimously recommend acceptance of the Greenwich Offers.**

**Capital Raising**

Buka is pleased to report the announcement in London on 10 March 2006 by Greenwich Resources plc ("Greenwich") of an underwritten Placing and Open Offer (the "capital raising").

The capital raising is being conducted in connection with, and is conditional upon completion of, the proposed merger of Greenwich, Buka and Danae Resources NL ("Danae") for which Bidder's and Target's Statements, including offers for all of the issued securities of Buka and Danae ("the Offers"), were issued to shareholders of Buka and Danae earlier this month. As part of the merger process, Greenwich will change its name to Scarborough Minerals plc.

The capital raising, underwritten by Greenwich's sponsoring broker, Collins Stewart, follows investor presentations by Buka management in London in recent days.

Key terms are:

- i) The amount being raised is £22 million (A\$52 million) before expenses. The takeover documents envisaged a capital raising of a minimum of £15 million.
- ii) The issue price of the new Greenwich ordinary shares is 72.6 pence (2.42 pence on a pre-consolidation basis). This price represents a 9.5% discount to the closing mid-market price of Greenwich shares on 9 March 2006 and a 0.8% premium to the Greenwich share price prior to the merger announcement.
- iii) The issue price is equivalent to 35.5 cents per Buka share, a premium of 34.1% to the closing price of Buka shares on 9 March 2006.

- iv) The placees include twenty institutional investors from the U.K. and United States.
- v) The capital raising is conditional, inter alia, upon completion of the proposed merger.

The net proceeds of the Placing and Open Offer will be used to assist the merged entity in advancing its existing projects and opportunities, as well as providing funds with which the merged entity can pursue its strategy, as set out in Greenwich's Bidder's Statement.

Buka's Chairman and Executive Chairman-elect of Greenwich/Scarborough, Robert Champion de Crespigny, noted that:

*"The placing is for an amount which exceeds Buka's current market capitalisation and is at a price which equates to a 34.1% premium to Buka's current share price. This outcome supports the decision by Buka's Board to seek this merger and move its domicile to the dynamic London market".*

## **Timetable**

As set out in the takeover documents dispatched last week, the offers are scheduled to close on 7 April 2006. The Offers are conditional, inter alia, on the approval of Greenwich shareholders at a general meeting to be held on 27 March 2006. Shareholders will be advised of the outcome of that meeting immediately after it is held.

Buka's Directors continue to unanimously recommend acceptance of the Offers, in the absence of a superior offer. Please see Buka's Target's Statement for detail, including the reasons for this recommendation.

Buka will issue a supplementary Target's Statement addressing the impact of the capital raising and other developments anticipated in the Target's Statement in the near future.

On completion of the merger, Greenwich (by then Scarborough Minerals plc) will seek a secondary listing on ASX.

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