

**ARX DEBT TO EQUITY SWAP COMPLETED WITH ALLOTMENT OF
SHARES & OPTIONS TO DEBT PROVIDERS**

Austindo Resources Corporation NL (“ARX” or the “Company”) is pleased to confirm that the Debt to Equity Swap approved by shareholders at the General Meeting held on 31 January 2008 has now been completed with the allotment of shares and options to the Australia and New Zealand Banking Group Limited (“ANZ”) and other debt providers.

The details of shares and options allotted are summarised as follows:

	Number of Shares Allotted	Number of Options Allotted
ANZ	1,406,926,407	140,692,641
Other Debt and Convertible Note Holders	470,562,770	47,056,277
TOTAL ALLOTTED	1,877,489,177	187,748,918

As a result of the completion of the debt to equity swap process ANZ now holds 25.05% of the issued capital of the Company and has become the Company’s largest shareholder. The Board welcomes the continued support of ANZ.

UPDATE ON DEVELOPMENT OF CIBALIUNG GOLD PROJECT

- Work on site resumed late in the December 2007 quarter.
- Total decline development to date has advanced to over 600 metres. Following significant overbreak on the main heading recent development has focussed on remedial work in the decline which has delayed access to the ore body and may delay first gold pour beyond the current target date of second quarter 2008. The Company is investigating the acquisition of an additional shotcrete machine to speed up underground development work.
- The Redpath Group has mobilised to site and is assisting in the development of the decline and the Cikoneng ventilation shaft.
- PT Petrosea has re-commenced construction of the gold processing plant. Cullen Mining Services Pty Ltd are engaged as Project Manager in respect of the construction and commissioning of the gold processing plant.
- A revised Base Case Financial Model (BCFM) was completed in January 2008. The BCFM assumes that first gold pour will be achieved by the target date of second quarter 2008. Production is projected to ramp up to planned throughput of 240,000 tonnes per annum over a 16 month period from first gold pour and to achieve positive cash flow in the September quarter of 2009. Total Development (Capex and Opex) costs from commencement of construction in July 2005 through to positive cash flow are expected to amount to US\$112.5 million. Total development expenditure (excluding project exploration and development prior to July 2005) to 29 February 2008 stands at approximately US\$72.5 million. Further funding of US\$40 million is required to achieve positive cashflow (including an additional provision for contingency but excluding planned exploration at Cibaliung).

PROPOSED RENOUNCEABLE RIGHTS ISSUE

The Board proposes to proceed with a 1 for 3 Renounceable Rights Issue to raise additional funds for the ongoing development of the Cibaliung Gold Project. It is proposed that the Rights Issue will be priced at 0.7 cents per share being a discount to current market. It is anticipated that, subject to documentation, the Rights Issue will be partly underwritten by ANZ in the amount of US\$10 million. Further details of the proposed Rights Issue will be announced at the earliest opportunity.

PROPOSED FARM-OUT OF INTEREST IN CIBALIUNG GOLD PROJECT

The Company has engaged Gryphon Partners to assist it in identifying a farm-in partner to effect the major portion of the remaining development expenditure through to positive cashflow for which the farm-in partner will earn a direct equity interest in the Cibaliung project.

For further information please contact:

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STATEMENT IN ACCORDANCE WITH SECTION 708A (5)(e)

In accordance with Section 708A (5)(e) of the Act, the Company gives notice that:

- The Company has issued these shares without disclosure to the placees under Part 6D.2 of the Act;
- As at the date of this notice, the Company has complied with:
 - the provisions of Chapter 2M of the Act as they apply to the Company;
 - Section 674 of the Act
- As at the date of this notice there is no excluded information (as defined in Section 708A (7) of the Act) which is required to be disclosed by the Company.

For further information please contact:

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