



ASF GROUP LIMITED

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The Manager
Company Announcements
Australian Stock Exchange Ltd
20 Bridge Street
Sydney 2000

Via: WWW.ASX.ONLINE.COM

Dear Madam/Sir

Proposed placement of up to 18 million new shares & planned drilling program

ASF Group Limited is pleased to announce that the Board of Directors has approved the issuance of up to 18 million new shares in the Company at not less than market price to a small number of sophisticated investors.

The placement proceeds will be used for working capital purposes and to fund the proposed exploratory drilling on the Company's Western Australian tenements this year.

Accordingly, the Company intends entering appropriate Drilling contracts to further explore for thermal coal deposits with the intention of drilling in excess of 10,000 metres on the Canning Basin, W.A. tenements during the latter part of 2009.

The Company will advise the market when drilling commences and subsequently will announce the drilling results as appropriate when available.

ASF Group is the integrator for Australia-China Energy & Resource business.

For further information contact:

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