

CHAIRMAN'S ADDRESS TO SHAREHOLDERS – 2008 AGM

The financial year ended 30th June, 2008 has been a successful year for your company. Significant progress on our key tenements has given promise that 2009 will be an exciting year for Pluton.

In Western Australia, Pluton completed its earn-in obligations for 50% of the Irvine Island tenement from its joint venture partner, Portman Iron Ore Limited. All regulatory approvals for exploration have been received and drilling is currently in progress. Dependant on assay results, Pluton plans to progress the Irvine Island project as quickly as possible with due regard to the impediments and uncertainty created as a result of the global upheaval being experienced at the present time. At this stage no one can predict the future course of events. Suffice to say that your Board intends to do everything possible to control the existing volatility in the market and to enhance the Company's future prospects.

Last week the Company made a market update announcement that all drill holes to date on the Hardstaff Peninsula on Irvine Island have intersected iron mineralisation. Drill core from several of these drill holes has been logged, cut and sent for assay, and results are pending. Drilling at Hardstaff is expected to be finalised within a week or so. The rigs will then commence drilling at the second area of outcropping iron mineralisation at Irvine Island's Isthmus region.

Pluton's joint venture partner, Portman Iron Ore Limited, contributes 50% of exploration costs on Irvine Island. Pluton retains a further \$4.3 million cash on hand. These funds are considered sufficient to conclude the current phase of exploration drilling and evaluation.

In Tasmania, Pluton entered into a farm-in agreement to earn 60% of the Cethana tenement that abuts the company's 100% owned Dove River tenement. Drilling, as well as a geophysical survey on Cethana, has identified the potential for a low grade, bulk tonnage porphyry-style copper/gold deposit at depth.

Drilling on the Dove River tenement has also shown early signs of promise. While final assay results are yet to be received, Pluton is hopeful that a low grade, bulk tonnage copper/gold target will be identified.

Follow-up drilling programs for both Dove River and Cethana are expected to occur during the upcoming summer months. Following the drilling programs the Board will be in a position to determine whether we continue to move forward on the Tasmanian tenements alone, or seek a joint venture partner to fund further exploration.

The Board is pleased with progress made throughout the past year and thanks management and our employees for their effort and dedication that has delivered tangible results.

Ray Schoer
Acting Chairman
21 October 2008