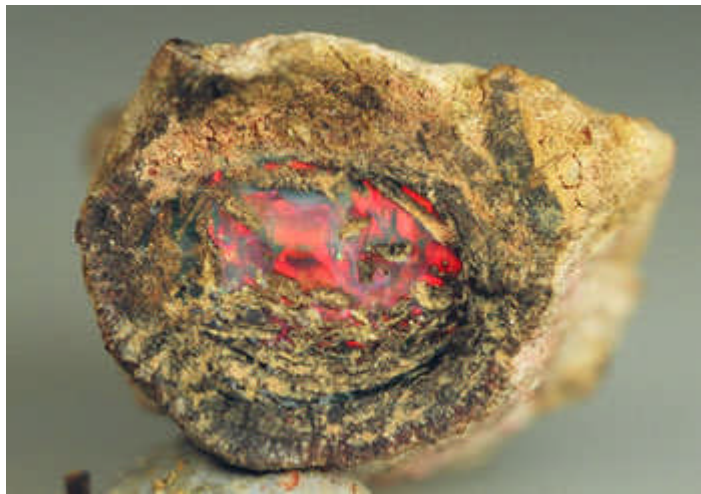


11 May 2007

## PRESS RELEASE

Opal Horizon Limited is pleased to announce the discovery of two large precious opal deposits at its Lina Glen project, west of Jundah in southwestern Queensland. Both are blind deposits lacking evidence of surface mineralisation or any other surface feature to indicate their presence at depth.



Precious opal at the **Raindance** deposit, the larger of these two discoveries, was found over an area of 400m by 200m at an average depth of 7m. Up to three separate sub-horizontal opal horizons occurring at varying depths were found during two drilling programs in 2006 and 2007. **The Big Girl** deposit, situated 300m to the southeast of Raindance, is 200m long and 70m wide. Multiple opal horizons can be found from 8m depth to 26m depth.

A large (54ha) Mining Lease covering both deposits was applied for in August 2006. The lease has been approved for grant subject to obtaining an agreement with the Native Title claimants over the area. Discussions with the Mithaka people are currently in progress.

A recent large diameter bucket drilling program within the area of the Mining Lease application has confirmed that the precious opal occurs mainly in the form of ironstone pipes and, to a lesser extent, ironstone boulder. A significant quantity of opal was recovered during this program and some of this material has been cut and processed, confirming its suitability to be made into high quality gemstones.

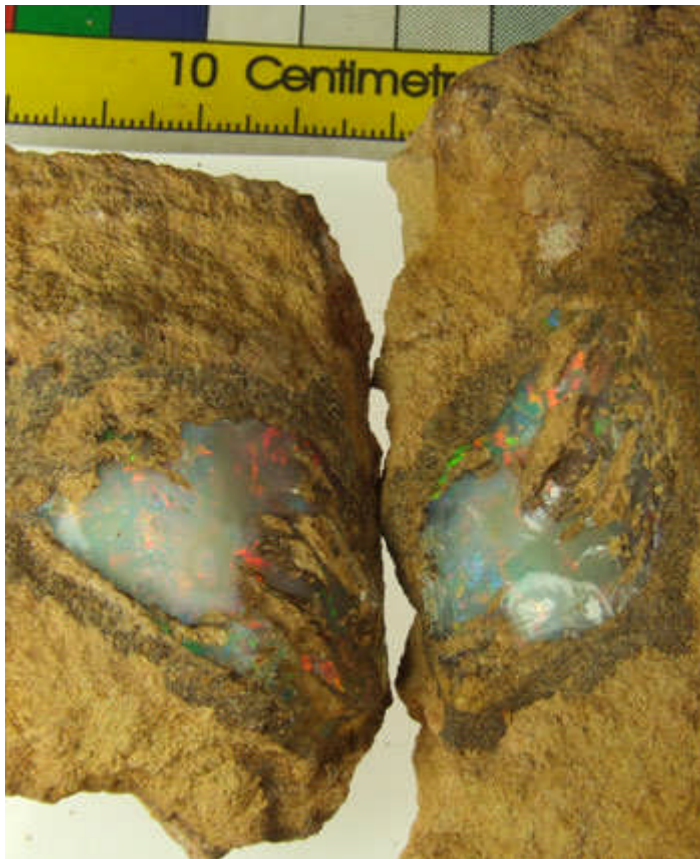
**The company believes that the Raindance deposit is the first major discovery of pipe opal in Queensland for many decades.** It has only been since 1960 that boulder opal has become the main source of opal produced in Queensland. Prior to that time, most of Queensland's opal came from pipes.

The quality of the opal found in the ironstone pipes at Raindance is exceptionally high both in terms of brilliance and colour and the material produced from here is expected to rival that of opal produced from Lightning Ridge. The pipes found to date vary in length from 2cm to 20cm with some of the deepest and most brilliant colours found in the smaller pipes. Preliminary testing of the host claystone indicates that a high opal recovery rate is likely during the mining process using specially developed drying and screening techniques.

Opal Horizon Limited is an, as yet unlisted, public company incorporated in 2001. It was formed for the express purpose of applying the latest research into opal genesis, together with the latest technology, to secure a pre-eminent position as a leading exploration, mining, processing and wholesaling company for precious opal.

The Australian opal industry is currently in a state of decline, due in part to a lack of new discoveries and to the fragmented nature of the industry. Following technical exploration successes at Lightning Ridge several years ago, and with the continued refinement of its exploration techniques, the company is now confident of being able to find large economic sedimentary opal deposits anywhere in Australia. However, Opal Horizon believes that the main potential for further discoveries in Australia lies in western Queensland. The company currently holds six Exploration Permits and applications in western Queensland and exploration of these is continuing.

For further information about Opal Horizon Limited and its projects please contact David Horton, Managing Director on 07 3839 5088 or email [dhorton@opalhorizon.com](mailto:dhorton@opalhorizon.com) .



Both photographs show examples of pipe opal from the Raindance deposit