AuSelect Limited

ASX Announcement
1 September 2006

The AuSelect Offer provides certainty and better value

AuSelect now has a 15.6% holding in Sedimentary

AuSelect has now received acceptances for 13.5% in addition to the 2.1% of Sedimentary it already owns.

Lion is still able to accept AuSelect's offer. Premier must have 75% acceptance of its scheme for success. AuSelect intends to vote its holding (currently 15.6%) against Premiers' scheme.

AuSelect will not increase the consideration under its Offer.

Sedimentary shareholders remain uninformed on Premier's Scheme

On 17 August 2006 Sedimentary announced a merger scheme with junior Canadian company Premier Gold Mines, subject to a number of conditions including:

- Premier to enter into financing agreements for its proposed A$87.5 million cash offer and the funds being available to Premier by 31 August. **Why did Sedimentary accept this condition and then fail to inform its shareholders on its status after its expiry date?**

- Premier to be provided by Sedimentary with financial and mineral property information by 24 August. **Was this information provided to Premier's satisfaction?**

This information vacuum on such key matters makes it difficult for Sedimentary shareholders to make an informed decision today.

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Premier Gold Mines Share Price

Since listing 8 days ago on the Toronto Stock Exchange the Premier share price has collapsed from 150 cents to 105 cents (Canadian). **Will this provide confidence to Sedimentary shareholders expecting a cash alternative that may remain conditional on arranging finance?**

Value of AuSelect's Offer is Increasing

Since the AuSelect Offer was first announced on the 14 July, the AuSelect share price has increased and the value of AuSelect's underlying investments has also increased. This is reflected in AuSelect's Net Tangible Asset backing or NTA. Since the bid for Sedimentary shares is a scrip bid the effective value of the bid for Sedimentary shares is reflected in the value of AuSelect's shares.

The value of AuSelect's Offer has increased by between 4.7% and 8.5% as shown in the table below.

	As at 13 July		As at 31 August		% increase
	AuSelect Share Value	AuSelect Offer Value	AuSelect Share Value	AuSelect Offer Value	
AUS Closing Price	135.0	30.0	142.0	**31.6**	5.2%
AUS 5-day VWAP	134.3	29.9	140.7	**31.3**	4.7%
AUS Pretax NTA	152.2	33.8	165.2	**36.7**	8.5%
AUS Postal NTA	142.5	31. 7	150.7	**33.5**	5.8%

AuSelect's Offer exceeds the value of Premier's Scheme, valued by Sedimentary's expert at only $0.30 per share.

Enquiries:

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