Australian Market Report of January 28: Liquefied Natural Gas Limited - Form Strategic Partnership With China Huanqiu Contracting And Engineering Corporation

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Sydney, Australia - Jan 28, 2011 (ABN Newswire) - **Liquefied Natural Gas Limited** (ASX: LNG) ('LNG LTD) signed a Share Placement Term Sheet with **China Huanqiu Contracting & Engineering Corporation** ('HQCEC'), a wholly owned subsidiary of **China National Petroleum Corporation** ('CNPC'). According to the Term Sheet, HQCEC propose to subscribe for 19.9% of the total issued shares in LNG LTD, making it the largest shareholder. The proceeds will be used to advance LNG LTD's wholly owned 3 million tonne per annum Gladstone Liquefied Natural Gas Project in Queensland. HQCEC, or an affiliate of HQCEC or CNPC, will be appointed as the sole Engineering, Procurement, Construction and Commissioning contractor for Gladstone Project, and will have the right to use LNG LTD's advanced OSMR liquefaction technology and to purchase liquefied natural gas products from the Project. The two parties are expected to reach final deals in the second quarter of 2011.

PT ANTAM (Persero) Tbk (ASX: ATM) said today that its subsidiary, **PT Indonesia Coal Resources**d ('PT ICR') has acquired the Sarolangun coal mine in Indonesia. The acquisition costs Rp92.5 billion and represents the first step of PT ICR's expansion into the coal mining business. The Sarolangun coal mine has begun operation in June 2010 with a production capacity of around 200,000 tonnes in 2010. PT ICR plans to increase coal production to around 500,000 tonnes in 2011 to supply the Indonesian and Indian markets.

Drake Resources Limited (ASX: DRK) has started its first round of exploration on three gold exploration permits covering 2,900 km2 in north Mauritania, a prolifically gold mineralised region where **Kinross Gold Corporation** (TSE: K) (NYSE: KGC) recently discovered 14 million oz gold resources. Gold grades ranging up to 437 g/t were obtained during surface sampling. Drake plans to commence more detailed soil sampling to test for further non-exposed gold mineralisation in the area.

Horseshoe Metals Limited (ASX: HOR) announced highly encouraging results from the recent drilling programme at its 100% owned Horseshoe Lights Cu-Au project in Western Australia. High grade copper mineralisation was intersected including 3m at 11.8 % Cu, 3m at 9.8% Cu, and 1m at 17.1% Cu. The Company is planning a follow-up drilling program in March 2011.

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