

1 February 2010

Company Announcements Office
Australian Securities Exchange

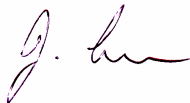
Release of Restricted Securities

The following restricted securities of the Company will be released from escrow on 11 February 2010:

- 46,000,002 fully paid ordinary shares
- 300,000 options. (The options were issued to directors of the Company. 150,000 of the options are exercisable at \$0.75 each; and 50,000 of the options are exercisable at each of \$1.00, \$1.25 and \$1.50 respectively).

Yours faithfully

PACIFIC ENVIRONMENT LIMITED



John Lemon
Company Secretary