

Rawson Resources Limited

ABN 69 082 752 985
And Controlled Entity

Chairman's Letter
For the Year Ended 30 June 2008

Dear Shareholder,

Rawson Resources Limited (the Company or Rawson) has completed another year of operations since our initial fund-raising to list on the Australian Securities Exchange in September 2005.

During the past year the Company has continued to expand its exploration activities, adding a number of new ventures as a result of successful applications for new acreage in the Surat Basin in Queensland.

The price of crude oil has continued to rise through the year reaching record levels and the development of the coal seam gas market in Queensland has also reached new levels. This has given the company an improved ability to deal in its acreage with potential farm-ins, as well as increasing the inherent net worth of the company's properties.

During 2008, the company has:

- Acquired two new 3D seismic surveys in its Otway Basin permits, one each in PEL 154 and PEL 155. The data from these surveys has been interpreted resulting in the definition of targets, which will be drilled in the first half of 2009. The company's interest in these permits is 37.5 percent and it is the operator. It is proposed to fund the Company's share of the well costs by farm-out to third parties.
- Acquired a 100km 2D seismic survey in EP97 in its Simpson Desert Pedirka Basin permit. The seismic was paid for by Central Petroleum, at an estimated cost of \$1 million. Central is planning to drill the first well in EP97, Simpson-1 in September/October 2008. The Company has a 20 percent free carried interest in the Simpson farm-in block, but retains a 100 percent in the acreage outside of the three farmout blocks (Simpson, Dune, Bejah). The Company also retains operatorship of EP97. The cost of road building and the drilling of Simpson-1 well is estimated to be a total of not less than \$5 million.
- The Company has been the successful bidder on three new exploration permits in the Surat Basin, Queensland. These include ATP 873P a coal seam gas area, where the operator is TruEnergy Queensland Pty Ltd with 70 percent. The Company has a 15 percent interest in this new ATP. Drilling of three coal seam gas wells in ATP 873P will commence in late 2008.
- The Company is the operator of two new ATPs, ATP893P and ATP901P in the Central Taroom Trough region of the Surat Basin. Here the Company has a 25 percent interest and its partners are Hardy Energy with 50 percent and Energetica Resources with 25 percent. Surface geochemical surveys will be run on both permits in October 2008. Both permits have potential for shallow coal seam gas in addition to traditional oil and gas and deep basin gas potential.
- The Company has farmed out its coal seam gas rights to TruEnergy Queensland Pty Ltd in ATP837P in the Moonie area of the Surat Basin. TruEnergy will spend \$2.4 million for a 200 km square 3D seismic survey in ATP837P in November 2008. They

will also drill two coal seam gas wells in the northern part of ATP837P. Rawson will have a free carried interest of 15 percent in the two CSG wells and is free carried through the seismic retaining a 50 percent interest in the deeper oil and gas rights of ATP837P. Energetica Resources will operate the 3D seismic program while TruEnergy will operate the CSG drilling operation. Drilling of traditional oil targets similar to those at the adjacent Moonie oilfield will begin in 2009 once the new 3D seismic has been interpreted. Drilling of these wells will be funded by farmout.

- Started leasing acreage in its western USA uranium program. This work is operated by Geochemical Exploration Services Inc of Dallas, which has a 50 percent interest in the project, while Rawson Uranium Pty Pty Ltd also has a 50 percent interest in the project. The costs have been kept low, as it is planned to farm-out the expensive drilling phase after leasing and running ground magnetic and radiometric surveys, which will be conducted in September 2008.
- Continued to seek new opportunities for good acreage by way of grass-roots applications.

These new ventures have been undertaken at very little expense to the Company. In June 2008, the Company made a share placement and raised \$1.62 million. This new capital has kept the Company financially secure as it continues to explore its properties.

The Company has a 10 percent interest in the Udacha Gas Field in PE106/107 in the Cooper Basin, South Australia; negotiations are continuing to commercialize this gas field.

Rawson is guided by an experienced exploration team with an extensive database. In addition the Company is participating in new joint ventures with highly experienced technical operators such as Central Petroleum in the Simpson Desert and TruEnergy in coal sea gas projects in Queensland.

Following initial low cost exploration by the Company in new areas, Rawson funds more expensive seismic and drilling phases by farm-out to industry partners. This is an ongoing business plan which leaves the company with residual interest that are still large enough to make an economic and material impact on discovery.

Any discovery made from drilling wells during 2008 to 2009 in the Pedirka Basin (Simpson Desert), the Otway Basin and the Surat Basin would add significant value to the Company.

John Conolly
Executive Chairman