

Fall River Resources to Sell Non Core USA Oil and Gas Asset

23 June 2010

Fall River Resources Limited ('Fall River' or 'the Company', **ASX : FRV**), an ASX listed New Energy Company, is pleased to announce that it has signed a Letter of Agreement ('the Agreement') to sell its interest in the West Florence Project ('Florence' or 'the Project') to ASX listed oil and gas explorer and developer Adelaide Energy Limited ('ADE'). The sale of this non core asset is in line with Fall River's ongoing strategy to focus on green assets for electricity production as part of its new energy focus.

Under the terms of the Agreement, ADE has agreed to acquire Fall River's 25% working interest ('WI') in Florence, located in Colorado USA, for A\$75,000, to be paid in its entirety within one month of the Agreement being signed by all parties. The 25% WI was acquired by Fall River in January 2007 and is part of a Joint Venture with Adelaide Energy Ltd, Strata-X Inc., and North American Oil & Gas.

Managing Director Torey Marshall said, "As part of Fall River's move from the North American oil and gas space to refocus on the New Energy arena, the Company had previously stated that we were looking to divest non-core interests. The Company is delighted that ADE was keen to purchase the Florence WI and wishes them well with its continued development."

"The Company is currently reviewing its remaining USA asset in Wyoming against internal investment criteria and will continue to analyse and assess any divestment opportunities as they present themselves."

***** Ends*****

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