



ASX: CVI  
NASDAQ OTCBB: CTVWF

April 23, 2009

## **Chairman's Address to Shareholders**

Dear Shareholder,

On November 12 I sent to you my assessment of CityView's projects and what I believed to be the best way forward.

It is now an appropriate time to update my assessment: this will be expanded further at our Annual General Meeting in May.

### **1. Metals: Fortitude Minerals Limited ("Fortitude")**

With the extension of the exploration licences by the new Minister of Mining & Geology Fortitude can now prepare for drilling at Longonjo, Cachoeiras and Chipindo in 2009.

### **2. Diamonds: Canzar Resources Limited ("Canzar")**

The preparatory ground development work at Nhefo and Luachisse has been completed by Endiama, our co-venturer. The next step is to install the dense medium separator plants and start production of the alluvial diamonds. Canzar will not develop the kimberlites on the concession areas until sufficient cash flow has been generated from the alluvial production.

### **3. Refinery**

A refinery logistics meeting was held in Lagos at the end of March. As soon as the requisite visas have been issued, the inspection team will be arriving in Houston for a site visit. I am pleased to report that it has been confirmed that the life of the refurbished refinery is equal to a new refinery.

### **4. Oil: Angola and Cameroon**

Falcon Oil and CityView are continuing to review opportunities in the Angolan oilfields, but current and future projections for the oil price are not yet sufficiently attractive to support long-term commitments being made. Likewise in Cameroon, discussions with Government representatives are on-going.

### **5. Quest Energy Middle East Limited ("QEML")**

CityView has increased its equity stake in European Oil Limited ("EOL") to 96.45%, pursuant to approval from CityView shareholders at the January General Meeting. EOL holds a strategic 6% of QEML which gives us access into the Al Ansari network in Dubai.

The collapse of the financial markets has created many problems for companies involved in mineral exploration, including CityView. The general consensus is that we must take a prudent approach. I have been listening to comments and concerns raised by shareholders and your Board has been considering what course of action would produce the best outcome for the Company and its shareholders. The Board believes that we must focus on acquiring an income producing asset instead of spending scarce capital on exploration and development.

When the crash of 2008 occurred, our immediate objective was to safeguard our largest assets, namely our investment in Fortitude and Canzar with their mineral and diamond interests in Angola. Through our quick action of providing loan funds to Fortitude in Angola, we successfully stabilised Fortitude and Canzar's position and facilitated licence extensions for Fortitude's mineral interests so that development of the projects can now take place.

It has been well documented that our intention has been to acquire 100% of Fortitude and Canzar. However in light of the review undertaken by the Board, there are two key factors which impact significantly on future strategy:

- (i) CityView's share price is too low for an equity swap.
- (ii) The projects require further development capital before generating an income stream.

In the Board's view, CityView would be better served if, for example, strategic partners were to farm into Fortitude and Canzar and support future exploration work planned by these companies. This would ease the financial pressure currently borne by CityView. The Boards of Fortitude and Canzar are now examining the various steps required for a merger to take place between themselves and the repayment in full of loan funds extended to Fortitude by CityView. CityView has made it clear to Fortitude and Canzar that although CityView needs to reduce its capital expenditure it is not seeking to be diluted.

The refinery represents another significant capital expense. While the Board remains committed to the project, we recognize that present market conditions impose limitations on our available options. However there is no immediate necessity for CityView to provide any significant funding to the refinery project and the Board continues to assess the optimal implementation structure.

With this refocus, CityView will be able to position itself to make an acquisition of an income producing asset. For the past two months the Chief Executive and I have been negotiating to acquire an interest in a producing anthracite and coking coal operation located in Natal South Africa with export quotas through Richards Bay. CityView is owed approximately US\$9.72 million (which includes interest) by Fortitude. It is intended to utilise this asset as consideration in acquiring the interest in the income producing asset. We will keep shareholders informed of developments.



Manuel Africano  
Chairman.

## About CityView Corporation Limited

CityView is a natural resource company based in Perth, Australia. The Company is accumulating a valuable commodity portfolio of copper, gold, diamonds, coal, iron ore, rare earths and oil refinery interests. CityView's strategy is to build on its established infrastructure, technical expertise and strong industry partnerships in Southern and West Africa to upgrade its properties into bankable assets/full production. For more information, please visit <http://www.cityviewcorp.com/>.

*Safe Harbor Statement: The Private Securities Litigation Reform Act of 1995 of U.S.A. provides a "safe harbor" for forward-looking statements. Certain of the statements contained herein, which are not historical facts, are forward-looking statements with respect to events, the occurrence of which involve risks and uncertainties. These forward-looking statements may be impacted, either positively or negatively, by various factors. Information concerning potential factors that could affect the Company is detailed from time to time in the Company's reports filed with the U.S. Securities and Exchange Commission.*

Contact:

CityView CEO, Mark Smyth  
Telephone: +61-8-9226-4788  
Facsimile: +61-8-9226-4799  
Web: [www.cityviewcorp.com](http://www.cityviewcorp.com)  
[info@cityviewcorp.com](mailto:info@cityviewcorp.com)