



22 September 2006

Dear Shareholder

## **Dividend Policy and Payment**

At the 7 September 2006 Board Meeting your directors adopted a new dividend policy.

This new policy retains the principle that shareholders will be paid as high a dividend as possible from the net profit for the period, having regard to the Company's cash position; and to enable us to distribute funds into shareholders' hands as soon as possible, it is proposed that dividends will be declared twice per year instead of once per year as has been the previous policy.

An interim dividend will be declared in March after the half year's results have been determined, and a final dividend in September after the annual net profit has been calculated and audited.

This year's dividend is payable on 27 September 2006 and is 6 cents per share fully franked.

The franking credit approximates to 2.6 cents per share.

Total cash value of the dividend is 8.6 cents per share.

The franking credit has value in that it is either offset against a shareholder's income tax liability or is refundable by the Australian Taxation Office in cash. The total franking credit equates to a refund to shareholders of the income tax paid by the company on its profits.

I confirm it is the Board's policy to pay to shareholders as much of the Company's surplus cash funds as is possible and as soon as is practical.

Yours faithfully

A handwritten signature in cursive script, reading 'Michael Brown', is written in black ink. The signature is positioned below the 'Yours faithfully' text and above the printed name of the signatory.

**M D Brown**  
**Chairman**