

Form 603

Corporations Act 2001
Section 671B

Notice of initial substantial holder

Company Name/Scheme Chapmans Limited

ACN/ARSN 000 012 386

1. Details of substantial holder (1)

Name Bell IXL Investments Limited ("BXL")

ACN (if applicable) 113 669 908

together with the persons and companies referred to in paragraph 3 hereof.

The holder became a substantial holder on: 18/05/2006

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Fully paid ordinary shares	4,500,000	4,500,000	5.00%

At the date of this notice the company has 90,000,000 voting shares on issue each carrying one vote.

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
BXL	Registered and beneficial owner of 222,000 fully paid ordinary shares, deemed relevant interest in shares held by associates Bell IXL Nominees Pty. Limited (ACN 107 626 871) ("BIN") and Cellante Securities Pty. Limited (ACN 073 202 838) ("CSE") and purchaser of 278,000 fully paid ordinary shares via ASX transaction.	4,500,000 fully paid ordinary shares
Bell IXL Investments No. 4 Pty. Limited (ACN 108 748 992) ("BI4")	Section 608(3)(a) <i>Corporations Act 2001</i> as the voting power of BI4 in BXL exceeds 20%.	4,500,000 fully paid ordinary shares
BIN	Registered and beneficial owner of 2,000,000 fully paid ordinary shares and deemed relevant interest in shares held by associates BXL and CSE.	4,500,000 fully paid ordinary shares

The Bell IXL Group Limited (ACN 106 304 714) ("BIG")	Section 608(3)(a) <i>Corporations Act 2001</i> as the voting power of BIG in BI4 and BIN exceeds 20%.	4,500,000 fully paid ordinary shares
Kintara Nominees Pty. Limited (ACN 094 254 592) ("KIN")	Section 608(3)(a) <i>Corporations Act 2001</i> as the voting power of KIN in BIG exceeds 20%.	4,500,000 fully paid ordinary shares
Monvale Investments Pty. Limited (ACN 094 587 774) ("MON")	Section 608(3)(a) <i>Corporations Act 2001</i> as the voting power of MON in BIG exceeds 20%.	4,500,000 fully paid ordinary shares
Productofam Holdings Pty. Limited (ACN 078 033 244) ("PRH")	Section 608(3)(a) <i>Corporations Act 2001</i> as the voting power of PRH in BIG exceeds 20%.	4,500,000 fully paid ordinary shares
Josephine Bernadette Cellante ("JBC")	Section 608(3)(a) <i>Corporations Act 2001</i> as the voting power of JBC in KIN and MON exceeds 20%.	4,500,000 fully paid ordinary shares
Elma Maria Jimenez ("EMJ")	Section 608(3)(a) <i>Corporations Act 2001</i> as the voting power of EMJ in PRH exceeds 20%.	4,500,000 fully paid ordinary shares
CSE	Registered and beneficial owner of 2,000,000 fully paid ordinary shares and deemed relevant interest in shares held by associates BXL and BIN.	4,500,000 fully paid ordinary shares
Probdy Pty. Limited (ACN 052 363 363) ("PRD")	Section 608(3)(b) <i>Corporations Act 2001</i> as PRD is the controller of CSE by virtue of all the issued capital of CSE being held on trust for PRD in its capacity as trustee of a discretionary trust.	4,500,000 fully paid ordinary shares
Massimo Livio Cellante ("MLC")	Section 608(3)(a) <i>Corporations Act 2001</i> as the voting power of MLC in PRD exceeds 20% and section 608(3)(b) <i>Corporations Act 2001</i> as MLC may be deemed to control MON.	4,500,000 fully paid ordinary shares
Romano Livio Cellante ("RLC")	Section 608(3)(a) <i>Corporations Act 2001</i> as the voting power of RLC in PRD exceeds 20% and section 608(3)(b) <i>Corporations Act 2001</i> as RLC may be deemed to control KIN.	4,500,000 fully paid ordinary shares
Ramon Jimenez ("RJ")	Section 608(3)(b) <i>Corporations Act 2001</i> as RJ may be deemed to control PRH.	4,500,000 fully paid ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
All the persons/companies referred to in paragraph 3	Unknown	BXL	278,000 fully paid ordinary shares
All the persons/companies referred to in paragraph 3	BXL	BXL	222,000 fully paid ordinary shares
All the persons/companies referred to in paragraph 3	BIN	BIN	2,000,000 fully paid ordinary shares
All the persons/companies referred to in paragraph 3	CSE	CSE	2,000,000 fully paid ordinary shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (\$)		Class and number of securities
		Cash	Non-cash	
BXL	18/05/2006	\$6,394.00	NIL	278,000 fully paid ordinary shares
BXL	16/05/2006	\$5,106.00	NIL	222,000 fully paid ordinary shares
CSE	02/03/2006	\$26,000.00	NIL	1,000,000 fully paid ordinary shares
CSE	02/03/2006	\$10,400.00	NIL	400,000 fully paid ordinary shares
CSE	01/03/2006	\$15,600.00	NIL	600,000 fully paid ordinary shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN (if applicable)	Nature of association
BXL and BIN	Related bodies corporate as defined in the <i>Corporations Act 2001</i> .
BXL, BIN and CSE	Acting in concert with respect to the exercise of votes in Chapmans Limited.

7. Addresses

The addresses of persons named in this form are as follows:

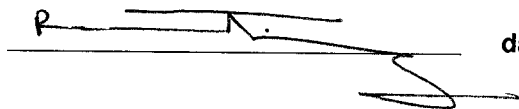
Name	Address
BXL, BI4, BIN, BIG, KIN, MON, CSE and PRD	Level 2, 651-653 Doncaster Road, Doncaster, Victoria 3108
MLC and RLC	Apartment 2006, 2 Sovereign Point Court, Doncaster, Victoria 3108
JBC	Apartment 502, 8 Clay Drive, Doncaster, Victoria 3108
PRH, EMJ and RJ	23 Bordeaux Street, Doncaster, Victoria 3108

Signature

print name Ramon Jimenez

capacity Director BXL, BI4, BIN and BIG
Agent KIN, MON, PRH, JBC, EMJ, CSE, PRD, MLC and RLC

sign here



date

20/05/2006

DIRECTIONS

1. If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
 2. See the definition of "associate" in section 9 of the *Corporations Act 2001*.
 3. See the definition of "relevant interest" in sections 608 and 671B(7) of the *Corporations Act 2001*.
 4. The voting shares of a company constitute one class unless divided into separate classes.
 5. The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
 6. The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
 7. Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) of the *Corporations Act 2001* applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting power or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).
- See the definition of "relevant agreement" in section 9 of the *Corporations Act 2001*.
8. If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
 9. Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
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