

**Guinness Peat Group
(Australia) Pty Limited**
ABN 13 052 245 191

Level 41, Gateway
1 Macquarie Place
Sydney NSW 2000
PO Box R475, Royal Exchange
Sydney NSW 1225 Australia
Telephone 61 2 8298 4300
Facsimile 61 2 9251 9960

18 August 2004

The Manager
Company Announcements
The Stock Exchange of Newcastle Limited
Ground Floor
384 Hunter Street
NEWCASTLE NSW 2300

By Facsimile: (02) 4929 1556 (3 pages)

Dear Sir

RE: GUINNESS PEAT GROUP plc ("GPG")

Please find attached for your information a copy of a Form 603, Notice of Initial Substantial Holder in Rattoon Holdings Limited ("RTN") which was lodged with Rattoon this morning.

Yours faithfully

A handwritten signature, likely of RB Maclean, is enclosed within a hand-drawn oval. The signature is written in dark ink and appears to be a stylized representation of the initials 'RB'.

RB Maclean
COMPANY SECRETARY

Form 603Corporations Act
Section 671B**Notice of initial substantial holder**

To Company Name/Scheme

RATTOON HOLDINGS LIMITED

ACN/ARSN

076 611 268**1. Details of substantial holder (1)**

Name

GUINNESS PEAT GROUP plc & its subsidiaries

ACN (if applicable)

Incorporated and registered in England and Wales with registered number 103548

The holder became a substantial holder on

16/08/04**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	Persons' votes (5)	Voting power (6)
Ordinary	2,000,000	2,000,000	5.1%

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
Guinness Peat Group plc & its subsidiaries	Beneficial owner	Ordinary 2,000,000

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
Guinness Peat Group plc & its subsidiaries	BB Nominees Pty Limited	Guinness Peat Group plc & its subsidiaries	Ordinary 2,000,000

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 (9)		Class and number of securities
		Cash	Non-cash	
Guinness Peat Group plc & its subsidiaries	19/07/04	\$146,160		Ordinary 500,000
Guinness Peat Group plc & its subsidiaries	05/08/04	\$176,400		Ordinary 500,000
Guinness Peat Group plc & its subsidiaries	16/08/04	\$351,750		Ordinary 1,000,000

6. Associates

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

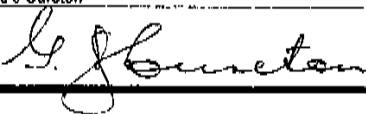
Name and ACN (if applicable)	Nature of association
Guinness Peat Group plc & its subsidiaries	Related Bodies Corporate & are therefore associates under Sections 9 & 11 of the Corporations Act

7. Addresses

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

Name	Address
Guinness Peat Group plc & its subsidiaries	First Floor Times Place 45 Pall Mall London SW1Y 5GP
BB Nominees Pty Limited	Level 45 80 Collins Street Melbourne VIC 3000

Signature

Print name	Graeme J Cureton	Capacity	Director
Sign here		Date	18/08/04

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.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act.
- (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 vote 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) 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 powers 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.
- (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.