

14 April 2005

Mr Hans Graf
SwepDri Limited

Dear Mr Graf,

Re: Status of Half Yearly Report

The NSX Compliance Committee has reviewed the status of the current trading halt due to failure to lodge a Half Yearly report with the Exchange or ASIC.

The NSX is concerned that there is full disclosure to the market.

1. Consequently, the NSX requires the company to release to the market a quarterly cash flow report for the March 2005 quarter, no later than close of business Friday 29th April 2005. The format of the quarterly report is available from the NSX website at <http://www.newsx.com.au/forms>. A copy of the template for the report is attached.
2. SwepDri Limited should also release an update as to when the half yearly report is expected to be released to the market.

Yours Sincerely
On behalf of the NSX Compliance Committee

Scott Evans
General Manager



**STOCK EXCHANGE OF
NEWCASTLE LIMITED**

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Quarterly Report

Name of entity

ABN

Quarter ended ("current quarter")

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (..... months) \$A'000
1.1 Receipts from customers		
1.2 Payments for		
(a) staff costs		
(b) advertising and marketing		
(c) research and development		
(d) leased assets		
(e) other working capital		
1.3 Dividends received		
1.4 Interest and other items of a similar nature received		
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Net operating cash flows		

	Current quarter \$A'000	Year to date (..... months) \$A'000
1.8 Net operating cash flows (carried forward)		
1.9 Cash flows related to investing activities		
Payment for acquisition of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
1.10 Proceeds from disposal of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
1.11 Loans to other entities		
1.12 Loans repaid by other entities		
1.13 Other (provide details if material)		
Net investing cash flows		
1.14 Total operating and investing cash flows		
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.		
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings		
1.18 Repayment of borrowings		
1.19 Dividends paid		
1.20 Other (provide details if material)		
Net financing cash flows		
Net increase (decrease) in cash held		
1.21 Cash at beginning of quarter/year to date		
1.22 Exchange rate adjustments to item 1.20		
1.23 Cash at end of quarter		

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000
1.24 Aggregate amount of payments to the parties included in item 1.2	
1.25 Aggregate amount of loans to the parties included in item 1.11	
1.26 Explanation necessary for an understanding of the transactions	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

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Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
3.2 Credit standby arrangements		

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank		
4.2 Deposits at call		
4.3 Bank overdraft		
4.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)		

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity		
5.2 Place of incorporation or registration		
5.3 Consideration for acquisition or disposal		
5.4 Total net assets		
5.5 Nature of business		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to NSX.
- 2 This statement does /does not* (delete one) give a true and fair view of the matters disclosed.

Sign here:
(Director/Company secretary)

Date:

Print name:

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. **Accounting Standards.** NSX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.