

5 October 2004

Mr Scott Evans, Stock Exchange of Newcastle Limited PO Box 283 NEWCASTLE NSW 2300

Dear Mr Evans,

We would like to announce that the following new events have occurred for SwepDri Limited.

New Events

An increase from 80 to 114 new Bunnings stores has occurred with an active roll out proceeding both in Victoria and Queensland.

A marketing drive has commenced in South Australia with the appointment of Harsmith Building Products to carry out marketing in this state with sales expected to commence mid October 2004 to Barloworld, Bunnings and Rayners Building Supplies.

In Western Australia we are commencing discussions with Campbell Wholesale Pty Ltd to act as our distribution agent.

We have also had discussions in Western Australia with Barloworld, W.A. Mine World, Liam Hayes Group and Aerostone Hebel Products distributors to stock Drizoro Products with proposals being prepared.

The Company's prospects are looking good with more and more stores being signed up and sales increasing as more stock arrives and the roll-out program continues.

Yours faithfully,

Anne Jensen Director

SwepDri Limited

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