

27 October 2003

Australian Stock Exchange Limited
Company Announcements
Level 10, 20 Bond Street
SYDNEY NSW 6000

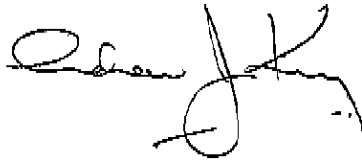
NO. OF PAGES: 2

SOUTHERN CROSS EQUITIES - OPTIONS

The following sets out the full terms and conditions of the 1,000,000 options to be issued by the Company to Southern Cross Equities Limited (**SCE**):

- a) Each option carries the right to subscribe for one fully paid ordinary share in the capital of the Company (**Share**).
- b) The exercise price of each option is 35 cents.
- c) Options may be exercised at any time before 5:00pm (WST) on the date being 5 years from the date of issue and any option not exercised on or before that date will expire and cease to carry any rights or benefits.
- d) Options may be exercised by SCE delivering to the Company's registered office or the Company's share registry a notice (in a form prescribed by the Company from time to time) stating the number of options to be exercised together with the relevant option certificate(s) or holding statement(s) and a cheque (in Australian currency) made payable to the Company for an amount being the result of the exercise price multiplied by the number of options being exercised.
- e) Within 5 business days of receipt of a properly executed exercise notice and application monies in respect of the exercise of any options, the Company will issue the relevant Shares and deliver notification of shareholdings.
- f) Options are non-transferable unless consent to do so is given in writing by the Company (which consent shall not be unreasonably withheld) and will not be listed on ASX.
- g) The Company will make application to have the Shares issued pursuant to an exercise of options listed for quotation by ASX within 7 days of the date of issue.
- h) Shares issued pursuant to an exercise of options shall, from the date of issue, rank *pari passu* with existing Shares in all respects and shall be subject to any applicable restricted securities provisions of the ASX Listing Rules.
- i) Options carry no right to participate in new issues of securities to holders of Shares unless the options are exercised at or before the time of the new issue.
- j) SCE will be notified by the Company in accordance with the ASX Listing Rules of any proposed new issue of securities to holders of Shares.
- k) If there is a bonus issue to holders of Shares (**Bonus Issue**), the number of Shares over which an option is exercisable shall be increased by the number of Shares which SCE would have received if the option had been exercised prior to the record date for determining entitlements to the Bonus Issue (**Bonus Shares**). The Bonus Shares shall be paid up out of the profits or reserves of the Company in the same manner as is applied in the Bonus Issue and shall, from the date of issue, rank *pari passu* with existing Shares in all respects.
- l) If there is a pro rata issue (other than a Bonus Issue) to holders of Shares during the currency of, and prior to the exercise of, any options, the exercise price of the options shall be adjusted in the manner provided by the ASX Listing Rules.
- m) In the event that there is a reorganisation of the capital of the Company (including, but not limited to, a consolidation, subdivision, cancellation, reduction or return of capital), the rights of SCE will be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Andrew J King'. The signature is fluid and cursive, with a large initial 'A' and 'K'.

Andrew J King
Managing Director