piquant blue Limited

CAPITAL RAISING

ANNOUNCEMENT **15 AUGUST 2005**

The Directors of PQB are pleased to confirm a capital raising of $2.0m by the issue of 6,666,667 fully paid ordinary shares at 30 cents each. This placement has been made to institutional investment funds managed by Acorn Capital Limited ($1,500,000), Timbercorp Limited ($200,000) and other private investors ($300,000). The issue falls within the Company's capacity to issue securities under ASX Listing Rules 7.1 and is made pursuant to Section 708 of the Corporations Act.

Acorn Capital Limited is Australia's leading micro-cap specialist investment management company located in Melbourne. It provides discretionary investment management services to institutional investors and currently has over $500m under management.

Timbercorp Limited is one of Australia's largest agribusiness companies involved in the funding and management of high quality agricultural projects. It developed Australia's largest olive grove in north-west Victoria with approximately 950,000 trees and is a key supplier of premium olive oil to PQB. In May 2004, Timbercorp invested $1,750,000 in PQB and currently holds approximately 11% interest in PQB.

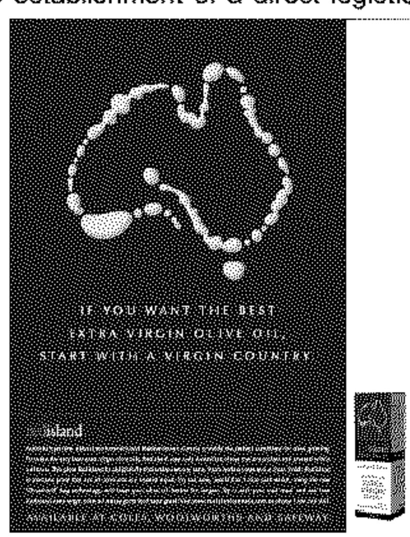
Since its ASX listing in January 2004, PQB has accomplished a number of key milestones. Shareholders and investors are referred to the PQB Market Update lodged with ASX on 28 July 2005 for further details of the Company's activities and progress.

The funds raised are earmarked to fund expansion of the Company's sales activities in the United States, and in particular, to develop a direct logistics and marketing presence in that market. PQB is aiming to secure distribution into several thousand mainstream US supermarket stores over the next year or so. It views the establishment of a direct logistical and marketing base in the US as critical to those goals. To date PQB has secured distribution into gourmet retailers through its association with US-based distributor Dairyland Inc.

The funds will also contribute to the Company's working capital requirements as it continues to develop the Australian and overseas markets for its RedIsland and Njoi brands of premium Australian extra virgin olive oil.

Acorn Capital Limited joins Timbercorp as institutional investors in PQB. PQB welcomes their support and interests and looks forward to a long association with these investors.

An Appendix 3B applying for quotation of these shares accompanies this announcement.



Secondary Trading Notice Pursuant to Paragraph 708A(5)(e) of the Corporations Act 2001 ("Act")

The Act restricts the on-sale of securities issued without disclosure, unless the sale is exempt under section 708 or 708A of the Act. By giving this notice, a sale of the Shares noted above will fall within the exemption in section 708A(5) of the Act.

The Company hereby notifies ASX under paragraph 708A(5)(e) of the Act that:

(a) the Company issued the Shares without disclosure to investors under Part 6D.2 of the Act;

(b) as at the date of this Notice, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company, and section 674 of the Act; and

(c) as at the date of this Notice, there is no information:

(i) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and

(ii) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:

a. the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or

b. the rights and liabilities attaching to the relevant Shares.

AUTHORISED BY:

Andrew Konowalous
Managing Director

Enquiries may be directed to:

Andrew Konowalous
T: (61-8) 9388 8926
E: andrew.konowalous@piquantblue.com.au

About PQB:

PQB was listed on ASX in January 2004 with the specific objective of providing a marketing platform for Australian extra virgin olive oil and related products. PQB has, since its formation in early 2003, established sound credentials in the international olive oil market for its range of olive oils and its innovative marketing approach. PQB focuses exclusively on the marketing segment of the value chain. PQB has formed strategic alliances to secure supply and distribution into key markets.

For further details, please refer to www.piquantblue.com.au, www.redislandaustralia.com or www.njoi.com.au.

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

PIQUANT BLUE LIMITED - PQB

ABN

19 104 555 455

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	**Shares**
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	**6,666,667**
3	Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	**Fully paid ordinary shares.**

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	**The shares rank parri passu with existing shares on issue.**
5	Issue price or consideration	**$0.30 per share.**
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	**The funds raised will be applied towards expansion of the Company's activities in the United States and as additional working capital for the continuing development of the Australian and other markets for the Company's premium olive oil brands.**
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	**15 August 2005**

		Number	+Class
8	Number and +class of all +securities quoted on ASX (*including* the securities in clause 2 if applicable)	**45,012,668**	**Ordinary fully paid shares.**

+ See chapter 19 for defined terms.

9 Number and +class of all +securities not quoted on ASX (*including* the securities in clause 2 if applicable)

Number	+Class
25,504,000	**Ordinary fully paid shares.**
9,775,000	**Options exercisable at $0.25 each on or before 31 December 2007.**
2,250,000	**Class A Options exercisable at $0.25 each on or before 30 April 2006.**
2,250,000	**Class B Options exercisable at $0.30 each on or before 30 April 2007.**
2,500,000	**Class C Options exercisable at $0.35 each on or before 30 April 2008.**
1,175,000	**Options exercisable at $0.42 each on or before 19 May 2010.**

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

Not applicable.

Part 2 - Bonus issue or pro rata issue

Questions 11 to 33 Not Applicable

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(*tick one*)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Questions 35 to 42 - Not Applicable

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: .... Date: **15 August 2005**
(Managing Director)

Print name: **Andrew Konowalous**

+ See chapter 19 for defined terms.