GUD Holdings Limited
A.B.N. 99 004 400 891

245 Sunshine Road
Tottenham, Vic 3012
Australia.

PO Box 62 Sunshine,
Vic 3020 Australia

Telephone: +61 3 9243 3333
Facsimile: +61 3 9243 3300
Email: gudhold@gud.com.au
Internet: www.gud.com.au

10 July 2007

Mr Gonzalo Valencia
Australian Stock Exchange Limited
Level 45, 525 Collins Street
Melbourne VIC 3001

Dear Gonzalo

We refer to your letter dated 10 July 2007 and respond to each of your questions as follows:

1. The Board of GUD has recently received approaches in relation to the ownership of GUD. Please refer to the Company's announcement dated 10 July 2007 for further details (copy attached).

   The Company is not aware of any additional information which has not been released to the ASX which, if known, could be an explanation for recent trading in the securities of the Company.

2. Not applicable as the answer to question 1 is no.

3. There is no reason to think there may be a change in the net operating result attributable to members so that the figure for the full year ended 30 June 2007 would vary from the previous corresponding period by more than 15%.

4. At this point in time, there is no reason to think that the Company may record any material abnormal or extraordinary items for the full year ended 30 June 2007 that have not previously been disclosed to the ASX.

5. The Company is not aware of any explanation for the price change and increase in volume in the securities of the Company other that described in the answer to question 1.

6. The Company is aware of its compliance obligations under the listing rules, and in particular confirms that it is in compliance with listing rule 3.1.

Yours sincerely

Malcolm G Tyler
Company Secretary

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10 July, 2007

Manager, Company Announcements
Australian Stock Exchange Limited
Level 4, 20 Bridge St
Sydney NSW 2000

Dear Sir,

RE: TRADING IN GUD HOLDINGS LIMITED SHARES

The Board of GUD Holdings Limited ("GUD") notes this morning's trade, by special crossing, of 2.5m GUD Holdings Limited shares (4.2% of shares on issue) at a price of $11.00 per share.

The Board has recently received approaches in relation to the ownership of GUD. The Board has rejected a proposal on the grounds that it was incomplete, highly conditional and did not reflect the Company's fundamental value and growth opportunities.

GUD will keep the market informed of any further developments and has appointed Macquarie Bank to advise the company in relation to any proposals received in relation to its future ownership.

Yours faithfully,

Malcolm G Tyler
Company Secretary

Further information:
David Mustow/Simon McKeon
Macquarie Bank Limited
+61 3 9635 8386/8100

ASX

AUSTRALIAN SECURITIES EXCHANGE

10 July 2007

ASX Limited
ABN 98 008 624 691
Level 45
South Tower Rialto
525 Collins Street
Melbourne VIC 3000
GPO Box 1784
Melbourne VIC 3001

Telephone 61 3 9617 8711
Facsimile 61 3 9614 0303
www.asx.com.au

Mr Malcolm Tyler
G.U.D Holdings Limited
Melbourne - Victoria

By e-mail only –

Dear Malcolm

G.U.D Holdings Limited (the "Company")- Price Query

We have noted a change in the price of the Company's securities from $9.45 on 3 July 2007 to a high of $10.50 at the time of writing today. We have also noted an increase in the volume of shares traded today.

In light of the price change and increase in volume, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

   Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any reason to think that there may be a change in the net operating result attributable to members so that the figure for the full year ended 30 June 2007 would vary from the previous corresponding period by more than 15%? If so, please provide details as to the extent of the likely variation.

4. Is there any reason to think that the Company may record any material abnormal or extraordinary items for the full year ended 30 June 2007? If so, please provide details.

5. Is there any other explanation that the Company may have for the price change and increase in volume in the securities of the Company?

6. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by e-mail at gonzalo.valencia@asx.com.au. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (ie **before 9.30 a.m. AEST) on** Wednesday 11 July 2007.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours sincerely

[Sent electronically, without signature]

Gonzalo Valencia
Adviser, Issuers