

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 S. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

HOUSEWARES INTERNATIONAL LIMITED

ABN

90 086 933 431

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 | Ordinary Shares and Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 20,000 Ordinary Shares
2,105,000 Options |
| 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) | Ordinary fully paid shares

Options issued have an exercise price for each option of \$1.96 subject to the group's to normalised earnings per share (EPS) achieving growth over three years from 30 June 2006 of at least 10% per annum, compounded annually. The Options are exercisable in three equal tranches, commencing on the first anniversary of the issue date and will lapse automatically four years after the issue date. |

+ See chapter 19 for defined terms.

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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 Ordinary Shares will rank equally with existing Ordinary Shares. Options do not carry any entitlement to participate in dividends or voting but on exercise of any of the Options, the Ordinary Shares issued at the time pursuant to the Company's Second Option Plan, will rank equally with the existing Ordinary Shares.				
5 Issue price or consideration	\$ 1.85 per share for Ordinary Shares \$ 1.96 per Option subject to satisfaction of the vesting conditions attaching to these Options.				
6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The 20,000 Ordinary Shares are issued as a result of the exercise of the Options issued under the Company's Senior Executive Option Plan. The 2,105,000 Options are issued pursuant to the resolution passed by shareholders at the Company's Annual General Meeting held on 24 November 2005 and on the terms of the Second Option Plan.				
7 Dates of entering +securities into uncertificated holdings or despatch of certificates	6 April 2006				
8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="706 1354 982 1417">Number</th><th data-bbox="982 1354 1265 1417">+Class</th></tr> </thead> <tbody> <tr> <td data-bbox="706 1417 982 1619">123,454,185</td><td data-bbox="982 1417 1265 1619">Ordinary Shares</td></tr> </tbody> </table>	Number	+Class	123,454,185	Ordinary Shares
Number	+Class				
123,454,185	Ordinary Shares				

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	Number	*Class
9	Number and *class of all *securities not quoted on ASX (including the securities in clause 2 if applicable)	4,806,666 Options 2,105,000 of the Options have been issued under the Second Option Plan. 2,701,666 of the Options remain on issue under the Senior Executive Option Plan after adjusting for the 20,000 Options exercised by executives and 60,000 Options which have lapsed.
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

11	Is security holder approval required?	Not applicable
12	Is the issue renounceable or non-renounceable?	Not applicable
13	Ratio in which the *securities will be offered	Not applicable
14	*Class of *securities to which the offer relates	Not applicable
15	*Record date to determine entitlements	Not applicable
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable
17	Policy for deciding entitlements in relation to fractions	Not applicable

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18	Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Not applicable
19	Closing date for receipt of acceptances or renunciations	Not applicable
20	Names of any underwriters	Not applicable
21	Amount of any underwriting fee or commission	Not applicable
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	Not applicable
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	Not applicable
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable

⁺ See chapter 19 for defined terms.

30	How do *security holders sell their entitlements <i>in full</i> through a broker?	Not applicable
31	How do *security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable
32	How do *security holders dispose of their entitlements (except by sale through a broker)?	Not applicable
33	*Despatch date	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 (but only the Ordinary Shares)

(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

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the *securities are *equity securities, the names of the 20 largest holders of the additional *securities, and the number and percentage of additional *securities held by those holders

36 ☐ If the *securities are *equity securities, a distribution schedule of the additional *securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional *securities

* See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought	Not applicable	
39	Class of +securities for which quotation is sought	Not applicable	
40	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	Not applicable	
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)	Not applicable	
42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)	Number Not applicable	+Class

+ See chapter 19 for defined terms.

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.
 - 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:



Company secretary

Print name: Paul Milburn

Date: 7 April 2006

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