

February 27, 2007

ASX Announcement

1 for 1 Non-Renounceable Rights Issue at \$1.10 per share

Wallace Absolute Return Limited (**WAB**) wishes to announce that it will undertake a 1 for 1 non-renounceable rights issue at a price of \$1.10 per share, for every share held by WAB shareholders on the register of members on 14 March 2007, to raise a total of up to \$51,569,909 before expenses. The rights issue is to be partly underwritten by Taylor Collison Limited.

Full details of the rights issue and how the funds will be applied will be set out in the prospectus to be issued shortly.

The rights offer is scheduled to close on 3 April 2007.

For further information contact:

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