

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

Dulhunty Power Limited

ABN

002 679 469

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 | Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1,958,626 |
| 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) | Exercise price 4.18 cents per share. Options will expire not later than 3 years after the date of commencement 8 December 2004. |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

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	Shares allotted as a result of exercise of options will rank equally				
5 Issue price or consideration	Nil				
6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Options issued under the Dulhunty Power Employee Option Plan as approved by shareholders at Annual General Meeting				
7 Dates of entering +securities into uncertificated holdings or despatch of certificates	8 December 2004				
8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	<table> <tr> <th data-bbox="686 1422 989 1467">Number</th><th data-bbox="989 1422 1279 1467">+Class</th></tr> <tr> <td data-bbox="686 1467 989 1688">58,302,371</td><td data-bbox="989 1467 1279 1688">Ordinary fully paid shares</td></tr> </table>	Number	+Class	58,302,371	Ordinary fully paid shares
Number	+Class				
58,302,371	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)	<table><tr><th>Number</th><th>⁺Class</th></tr><tr><td>1,958,626</td><td>Options over ordinary shares</td></tr></table>	Number	⁺ Class	1,958,626	Options over ordinary shares
Number	⁺ Class					
1,958,626	Options over ordinary shares					
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Options do not participate until exercised.				

⁺ See chapter 19 for defined terms.