



Dromana Estate Limited

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November 10, 2004

**The Manager,
Australian Stock Exchange Limited
Level 3, Bridge Street,
Sydney 2000.**

Re: Appendix 3B

Please find attached Appendix 3B prepared after a reconciliation between the company's share register and the ASX's records.

The adjustments reflect an increase in quoted options (ASX code DMYO) of 519,083 and a reduction in unquoted options (ASX code DMYAM) of 400,000.

As of today's date the number and class of all securities issued by the company is as follows:

Quoted

Ordinary Shares (DMY)	21,415,979
Options expiring 30 Sep 2005 with an exercise price of \$1.50 (DMYO)	1,175,233

Unquoted

Options expiring 20 Jun 2008 with an exercise price of \$0.60 (DMYAI)	1,890,000
Options expiring 17 Oct 2008 with an exercise price of \$0.60 (DMYAK)	600,000
Options expiring 9 Oct 2008 with an exercise price of \$0.25 (DMYAO)	600,000
Options expiring 1 May 2005 with an exercise price of \$1.38 (DMYAQ)	100,000
Options expiring 30 Sep 2005 with an exercise price of \$1.50 (DMYAS)	860,667
Options expiring 30 Jun 2008 with an exercise price of \$0.25 (DMYAU)	250,000
Options expiring 9 Oct 2009 with an exercise price of \$0.25	400,000

In addition an amount 750,000 options with an expiry date of 9 Oct 2009 with an exercise price of \$0.25 has been notified to the ASX but the issue is subject to shareholder approval at the company's AGM on November 29, 2004.

+ See chapter 19 for defined terms.

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

Dromana Estate Limited

ABN

58 090 000 276

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 | Quoted Options
Unquoted Options |
| 2 | Number of *securities issued or to be issued (if known) or maximum number which may be issued | Quoted Options – 519,083
Unquoted Options – (400,000) |
| 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) | Quoted Options expiring 30 September 2005 with an exercise price of \$1.50.

Options previously notified to ASX as Unquoted options with an expiry date of 30 June 2005 and an exercise price of \$1.50 (DMYAM) now correctly stated as quoted options with an expiry date of 30 September 2005 and an exercise price of \$1.50 (DMYO) |

+ 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	Yes						
5	Issue price or consideration	Nil						
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Issued as per prospectus dated 17 November 2000.						
7	Dates of entering *securities into uncertificated holdings or despatch of certificates	Prior to June 2001						
8	Number and *class of all *securities quoted on ASX (including the securities in clause 2 if applicable)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">*Class</th> </tr> </thead> <tbody> <tr> <td>21,415,979</td> <td>Ordinary</td> </tr> <tr> <td>1,175,233</td> <td>Options – Sep 2005</td> </tr> </tbody> </table>	Number	*Class	21,415,979	Ordinary	1,175,233	Options – Sep 2005
Number	*Class							
21,415,979	Ordinary							
1,175,233	Options – Sep 2005							

* See chapter 19 for defined terms.

Appendix 3B
New issue announcement

	Number	*Class
9	Number and *class of all	1,890,000
	*securities not quoted on ASX	100,000
	(including the securities in clause	860,667
	2 if applicable)	250,000
		600,000
		600,000
		1,150,000
		Options – Jun 2008
		Options – May 2005
		Options – Sep 2005
		Options – Jun 2008
		Options – Oct 2008
		Options – Oct 2008
		Options – Oct 2009
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No Change

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the *securities will be offered	
14	*Class of *securities to which the offer relates	
15	*Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
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.	
19	Closing date for receipt of acceptances or renunciations	

+ See chapter 19 for defined terms.

20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
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	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	

⁺ See chapter 19 for defined terms.

- 32 How do +security holders dispose of their entitlements (except by sale through a broker)?
- 33 +Despatch date

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

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
It is not possible to identify individual holders as the sub registers were notified of the correct allocation at the time of issue.

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of securities for which *quotation is sought					
39	Class of *securities for which quotation is sought					
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					
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)					
42	Number and *class of all *securities quoted on ASX (<i>including</i> the securities in clause 38)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 50%; padding: 5px;">Number</th> <th style="width: 50%; padding: 5px;">*Class</th> </tr> <tr> <td style="height: 60px;"></td> <td></td> </tr> </table>	Number	*Class		
Number	*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.
- 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.

+ See chapter 19 for defined terms.

- 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: 10/11/2004
(Company Secretary)

Print name: .Christopher Warren Ritchie

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* See chapter 19 for defined terms.