WOOLWORTHS LIMITED

A.B.N 88 000 014 675

22 October 2004

The Manager, Companies
Australian Stock Exchange Limited
Company Announcements Office
Exchange Centre
Level 6
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

RE: BRUANDWO – ALH –TAKEOVER BID

Attached please find ASX Announcement by BRUANDWO PTY LIMITED.

For and on behalf of
WOOLWORTHS LIMITED

RKS JEFFS
COMPANY SECRETARY

Bruandwo Pty Ltd

A.B.N. 68 098 212 134

ASX ANNOUNCEMENT BY BRUANDWO PTY LIMITED

The Takeovers Panel has asked Bruandwo Pty Limited (**Bruandwo**) to clarify the revised proposal which it announced on 19 October 2004.

Bruandwo's offer is $3.15 cash per ALH share. However, Bruandwo will increase this offer to:

- $3.40 cash per ALH share provided that Bruandwo has received or is satisfied that it will receive sufficient acceptances to increase its relevant interest in ALH to in excess of 20% by 6.00pm on Monday, 25 October 2004; and

- $3.50 cash per ALH share if it has achieved the above threshold by 6.00pm on Monday, 25 October 2004, and Bruandwo subsequently receives or is satisfied that it will receive sufficient acceptances to increase its relevant interest in ALH to in excess of 50% by the closing time of its offer.

Bruandwo's offer is unconditional and is scheduled to close at 7.00pm on Monday, 25 October 2004. Bruandwo has not made any decision to further extend or vary the offer but reserves its right to do so. Bruandwo notes the significant media speculation regarding the intentions of CMM Hotel & Retail Investments Pty Ltd and fully reserves its rights to respond in such manner as it chooses after that uncertainty has been resolved.

Bruandwo announces that an acceptance facility which is open to certain professional investors (as defined in the Corporations Act) has been established in order to facilitate its receipt of acceptances to its offer. Bruandwo advises that for the purposes of its proposal referred to above it will 'be satisfied that it will receive' acceptances to its offer only in respect of any acceptances or instructions which are lodged under the acceptance facility and not withdrawn.

Under the Acceptance Facility:

- Shareholders may lodge with Deloitte Corporate Finance Pty Limited (**Deloitte**) acceptance instructions (in the form of Acceptance and Transfer Forms and/or directions to custodians to accept Bruandwo's offer) that demonstrate their intention to accept the offer. Deloitte will hold the acceptance instructions subject to a bare trust as collection agent and will not acquire a relevant interest in any of the ALH shares the subject of the acceptance instructions.

- If shareholders lodge acceptance instructions with Deloitte, they will direct Deloitte to lodge the acceptance instructions as formal acceptances of Bruandwo's offer once Bruandwo has issued a written announcement to the ASX that it will unconditionally increase its offer price for ALH to $3.50 per share (Price Increase Announcement).

- Shareholders are able to withdraw their acceptance instructions at any time prior to Bruandwo making the Price Increase Announcement. Further, if prior to Bruandwo making the Price Increase Announcement, a third party announces an alternative proposal to acquire all ALH shares at a price in excess of $3.50 per share, shareholders are able to withdraw their acceptance instructions within 24 hours from announcement of the alternative proposal.

Before 9:00am each business day, Deloitte will inform Bruandwo of the number of ALH shares in respect of which acceptance instructions have been received. Following receipt of this information from Deloitte, Bruandwo will disclose this to the market by 9.30am on the business day following a movement of more than 1% in the aggregate of the number of ALH shares subject to the facility and the number of ALH shares in which Bruandwo has a relevant interest together with a breakdown of the aggregate amount between those 2 categories.

Deloitte is a related entity of Deloitte Touche Tohmatsu the independent auditor of Woolworths Limited. Deloitte will be remunerated in accordance with Deloitte's standard hourly rates.

ALH shareholders should note the following in relation to Bruandwo's revised proposal:

- if you accept Bruandwo's offer but Bruandwo does not receive or become satisfied that it will receive sufficient acceptances to increase its relevant interest in ALH to in excess of 20% by 6.00pm on Monday, 25 October 2004, then as Bruandwo's bid is currently constituted you will receive $3.15 cash per ALH share;

- if the 20% threshold referred to above is reached by 6.00pm on Monday, 25 October 2004, Bruandwo will increase its offer price to $3.40 cash per ALH share. This will result in the offer period being automatically extended for a further period of 14 days;

- if the 50% threshold referred to above is reached before the end of Bruandwo's offer period then Bruandwo will increase its offer price to $3.50 cash per ALH share and, if this occurs in the last seven days of Bruandwo's offer period, Bruandwo's offer period will again be automatically extended for a further period of 14 days. Bruandwo cannot at present advise ALH shareholders of the exact date when its offer period would close;

- all ALH shareholders who accept, or have accepted, Bruandwo's Offer will be able to participate in any increased offer price which will result if the 20% and/or 50% thresholds referred to above are reached, regardless of when they accepted the offer. This also applies to any other increases which Bruandwo might make. Shareholders who accept, or have accepted, Bruandwo's Offer before a price increase is effected will be paid the increase within five business days after the increase is effected. Shareholders who accept Bruandwo's Offer after a price increase is effected will be paid their consideration within five business days after a valid acceptance is received by Bruandwo's share registry.