

11 July 2005

The Manager  
Company Announcements Office  
Australian Stock Exchange Limited  
4<sup>th</sup> Floor, 20 Bridge Street  
SYDNEY, NSW, 2000, AUSTRALIA



Dear Sirs,

**Significant Bulk Olive Oil Sales to Italy**

Olea Australis Limited is pleased to announce the sale of approximately 168,000 litres of bulk extra virgin olive oil to various significant buyers in Italy following the completion of harvesting and processing at the Dandaragan plantation in Western Australia.

The bulk sales are as a result of a recent visit to Italy by representatives of the Group. Negotiations are continuing for further bulk sales to other buyers of extra virgin olive oil in Italy. The establishment of relationships with key Italian buyers is important to the Group in developing a market for the increased volumes anticipated in the next couple of years. The bulk sales will augment the continued sales of the Group's branded strategy.

The Group has completed the 2005 harvest and processing with total tonnage recovered from owned and managed olive groves of 1,591 tonnes of olives resulting in 265,000 litres of extra virgin olive oil, which is an increase of approximately 500% on last year. The increments in recovered olives varied between the different varieties which points toward continued strong growth at the developing plantation.

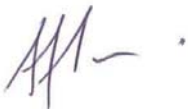
The harvest was carried out using new over-the-row harvesting technology in Australia. The Argentinean developed and Australian built "Colossus" harvester increased olive recovery at the plantation and as the technology is developed further in Australia the Group anticipates further improvement in this area in later harvests. The Colossus harvester was considered the best performing harvesting method in Australia.

The olive plantation is in good condition after the harvest and significant improvement is expected in quantity of olives recovered and the extra virgin olive oil processed from the 2006 harvest. The plantation is still in the development stage and will not achieve maximum output for at least two years. The extraction rate obtained during the processing of the 2005 harvest was acceptable but was affected by the abnormally high rainfall on the property during the harvest period which reduced the overall olive oil yields.

The Managing Director, Mr Chris Perrott said: "The quantity of extra virgin olive oil from this year's harvest reflects the continuing development of Olea Australis as a major producer of extra virgin olive oil. The Group is pleased with how the harvest was handled and the quality of the oil produced. The quality has been recognised by Italian purchasers with favourable contracts negotiated. The establishment of these relationships puts Olea Australis in an advantageous position for the sale of the increased volumes of extra virgin olive oil we are anticipating next year."

Enquiries can be directed to Chris Perrott, Managing Director on (08) 9277 9099 or alternatively by email at [olea@oleaaustralis.com.au](mailto:olea@oleaaustralis.com.au).

For and behalf of  
**OLEA AUSTRALIS LIMITED**



Tony Sparks  
COMPANY SECRETARY