



14 July 2005

James Gerraty
Manager, Companies
Australian Stock Exchange
Level 3, 530 Collins Street,
Melbourne, Victoria 3000

Dear Mr Gerraty,

Re: Price Query

I refer to your letter of 14 July 2005 delivered by email and respond to your questions as follows:

ITEM 1:

Epitan Limited (**Epitan**) is not aware of any information concerning it that has not been announced which, if known, would explain the recent trading in Epitan's shares.

ITEM 2:

Not applicable

ITEM 3:

Epitan has recently made two announcements to the market. On 6 July 2005 it advised the appointment of Mariner Corporate Finance Limited to provide advice on capital raising and options for growth and on 7 July 2005 it advised the private placement of 11.67 million new shares to institutional investors in Europe and Australia.

Subject to these announcements, Epitan has no other explanation for the price change of its shares.

ITEM 4:

Epitan has complied and will continue to comply fully with the Listing Rules and, in particular, Listing Rule 3.1.

Yours sincerely

A handwritten signature in black ink, appearing to read "Iain Kirkwood", with a horizontal line underneath.

Iain Kirkwood
Managing Director



ASX

AUSTRALIAN STOCK EXCHANGE

14 July 2005

Mr David Iles
Company Secretary
EpiTan Limited
MELBOURNE

By email only

Dear Mr Iles

Australian Stock Exchange Limited
ABN 98 008 624 691
Level 3
Stock Exchange Centre
530 Collins Street
Melbourne VIC 3000

GPO Box 1784Q
Melbourne
VIC 3001

Telephone 61 (03) 9617 7842
Facsimile 61 03 9614 0303
Internet <http://www.asx.com.au>

EpiTan Limited (the "Company")

RE: PRICE QUERY

We have noted a change in the price of the Company's securities from 52 cents at the close of trading yesterday to 59.5 cents today.

In light of the price change, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?
2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price change in the securities of the Company?
4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by e-mail at james.gerraty@asx.com.au or by facsimile on **facsimile number 03 9614 0303**. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than 5.00 pm E.S.T. today, 14 July 2005.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours sincerely

A handwritten signature in black ink, appearing to read 'James Gerraty', with a long horizontal flourish extending to the left.

James Gerraty
MANAGER COMPANIES, MELBOURNE