

IMF (AUSTRALIA) LTD
ABN 45 067 298 088

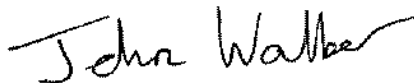
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RELEASE TO AUSTRALIAN STOCK EXCHANGE (“ASX”)

MONDAY, 27 FEBRUARY 2006

SONS OF GWALIA FULL COURT DECISION

1. IMF is pleased to announce that the Full Court of the Federal Court today unanimously dismissed the Administrators’ appeal from Emmett J’s decision.
2. The Court confirmed:
 - (a) shareholders who buy on the market are entitled to prove as creditors in an insolvent administration where the company breached continuous disclosure obligations or misled them in representations made to the market about the company’s financial circumstances; and
 - (b) the shareholders’ claims rank equally with non-shareholder creditors.
3. Unless the Administrators are granted special leave to appeal to the High Court from this judgment of the Full Federal Court then the matter will proceed through the Administrators’ proof process.



John Walker
Managing Director