



LEMARNE CORPORATION LIMITED
A.C.N. 004 834 584

24 February 2004

The Manager
Company Announcements Office
Australian Stock Exchange Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

By eLodgement

Dear Sir

Lemarne to undertake off-market share buy-back

Lemarne Corporation Limited (**Lemarne**) is to undertake an off-market share buy-back of 35% of each shareholder's holding of Lemarne shares. The buy-back is for a fixed proportion of each shareholder's holding of Lemarne shares.

The price for the proposed share buy-back has been set at \$2.34 per Lemarne share (adjusted for movements in the All Industrials Index).

Participation in the buy-back is voluntary. However, if all shareholders participate in the share buy-back, Lemarne will buy-back approximately 6,233,000 of its ordinary shares and return to shareholders (based on a buy-back price of \$2.34 per Lemarne share) approximately \$14.6 million in cash.

Directors believe that an off-market share buy-back represents an efficient means of returning excess capital to shareholders. All directors intend to participate in the share buy-back for all shares held by them.

The proposed share buy-back, which is subject to shareholder approval, will utilise franking credits which Lemarne has in abundance and part of the cash generated on the sale of Richardson Pacific Limited by Lemarne's wholly-owned subsidiary, Lemvest Limited. The Lemarne Group's current cash reserves exceed \$25 million.

The buy-back price will have 2 components: a capital component and a fully-franked dividend component of the buy-back price. Lemarne will seek a ruling from the Australian Tax Office to confirm these components. Implementation of the buy-back will be subject to receiving a ruling acceptable to the directors.

All shareholders are advised to obtain taxation and professional advice on the implications of participating in the buy-back in their particular circumstances.

The proposed general meeting of shareholders of Lemarne to approve the buy-back is currently scheduled for 28 April, 2004. A detailed Notice of General Meeting will be lodged with ASX and despatched to shareholders towards the end of March, 2004.

An indicative timetable for the share buy-back is set out below. These dates are indicative only and Lemarne reserves the right to change these dates by announcement to ASX.

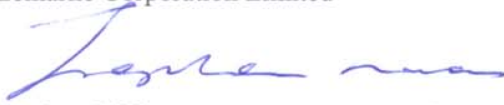
Event	Date
General meeting to approve the buy-back	28 April, 2004
Lemarne shares trade on ASX ex-entitlement to participate in the buy-back	3 May, 2004
Record date for determining entitlements to participate in the buy-back	7 May, 2004
Completion of despatch of buy-back documentation to shareholders	12 May, 2004
Last day for receipt of acceptances	5:00pm 4 June, 2004
Despatch of cheques by	18 June, 2004

Please find attached an Appendix 3C (Announcement of buy-back) in accordance with ASX Listing Rule 3.18A.

Subject to obtaining regulatory approvals, the proposed share buy-back may be extended so as to buy-back 100% of a shareholder's holding of Lemarne shares if participation in the proposed buy-back would result in a shareholder holding less than a marketable parcel.

For further information, please contact Mr Stephen L Mason, Company Secretary, on 9820 2400.

Yours faithfully
Lemarne Corporation Limited


Stephen L. Mason

Appendix 3C

Announcement of buy-back (except minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001.

Name of entity	ABN
Lemarne Corporation Limited	004 834 584

We (the entity) give ASX the following information.

Information about buy-back

1	Type of buy-back	Equal Access Buy-Back *
2	+Class of shares which is the subject of the buy-back (eg, ordinary/preference)	Ordinary
3	Voting rights (eg, one for one)	One for one
4	Fully paid/partly paid (and if partly paid, details of how much has been paid and how much is outstanding)	Fully paid
5	Number of shares in the +class on issue	17,808,333
6	Whether shareholder approval is required for buy-back	Yes
7	Reason for buy-back	An efficient means of returning excess capital to shareholders.

* The buy-back may technically be a selective buy-back under the Corporations Act 2001. However, the buy-back will be conducted on conditions substantially in compliance with an equal access scheme.

Appendix 3C
Announcement of buy-back

- 8 Any other information material to a shareholder's decision whether to accept the offer (*eg, details of any proposed takeover bid*)
- | |
|---|
| The buy-back may be extended so as to buy-back a 100% of a shareholder's holding of Lemarne shares if participation in the buy-back would result in that shareholder holding less than a marketable parcel. |
|---|

On-market buy-back

- 9 Name of broker who will act on the company's behalf
- | |
|--|
| |
|--|
- 10 Deleted 30/9/2001.
- | |
|--|
| |
|--|
- 11 If the company intends to buy back a maximum number of shares - that number
- Note: This requires a figure to be included, not a percentage.
- | |
|--|
| |
|--|
- 12 If the company intends to buy back shares within a period of time - that period of time; if the company intends that the buy-back be of unlimited duration - that intention
- | |
|--|
| |
|--|
- 13 If the company intends to buy back shares if conditions are met - those conditions
- | |
|--|
| |
|--|

Employee share scheme buy-back

- 14 Number of shares proposed to be bought back
- | |
|--|
| |
|--|
- 15 Price to be offered for shares
- | |
|--|
| |
|--|

⁺ See chapter 19 for defined terms.

Selective buy-back

- 16 Name of person or description of class of person whose shares are proposed to be bought back
- 17 Number of shares proposed to be bought back
- 18 Price to be offered for shares

Equal access scheme

- 19 Percentage of shares proposed to be bought back
- 20 Total number of shares proposed to be bought back if all offers are accepted
- 21 Price to be offered for shares
- 22 ⁺Record date for participation in offer
- Cross reference: Appendix 7A, clause 9.

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here: 
.....
(Company secretary)

Date: 24/02/2004

Print name: Stephen L. Mason

=====

⁺ See chapter 19 for defined terms.