



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

3 March 2006
EBN/ms

Dear shareholder,

Sale of Pacific Composites Pty Ltd for \$32.5 million

Please find enclosed two ASX announcements released by us on 28 February 2006 and 1 March 2006 regarding the sale of our subsidiary, Pacific Composites Pty Ltd to Exel Oyj.

The cash proceeds of \$28 million have now been received by us and the Exel share price has responded positively to Exel's acquisition of Pacific Composites Pty Ltd.

The Board expects to return a portion of the cash proceeds of the sale to shareholders. Further details are expected to be announced within the next 2 weeks.

Yours sincerely,

Brian Noxon
Chairman