

HEADLINE

Group Limited

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28 July, 2008

For immediate release to the market

The Directors of Headline Group Limited ("Headline") ("Company") wish to advise shareholders of recent developments for the Company.

As previously advised to shareholders, Mr Roger Montgomery was elected as a Director of the Company as a result of a Shareholders' Meeting requisitioned by Clime Capital Limited. In answer to a specific question at the Shareholders' Meeting, Mr Montgomery advised the Meeting that he was aware of a number of potentially attractive acquisitions that the Company could undertake in the mining services and other sectors.

Mr Montgomery stated that subject to Board, and if necessary shareholder approval, one or more transactions could be achieved within three months.

Further, Mr Montgomery advised the Meeting, in response to a shareholder question, that Clime Capital Limited will not charge any management fees or performance fees with respect to any such transactions without having first obtained approval from Headline shareholders.

The Directors of Headline also updated shareholders at the Meeting as regards the Company's property sale at Lisarow, NSW and the current cash position of the Company.

Following completion of the sale of that property for \$2.8 million, expected to be received in October 2008, Headline will have cash of approximately \$10 million and expected further receipts of approximately \$2.5 million if another property, also at Lisarow, is sold.

The Company expects to release its Short Year End 30 June 2008 results by 29 August 2008.

Headline Group Limited



Ian Gordon
Company Secretary