



1 September 2006

The Manager
Company Announcements Office
Australian Stock Exchange Limited
Stock Exchange Centre
530 Collins Street
Melbourne VIC 3000

Dear Sir,

AuSelect Limited (AuSelect) – Takeover bid for Sedimentary Holdings Ltd (Sedimentary)

We **enclose** a copy of a letter sent to Sedimentary shareholders dated 1 September 2006 and accompanying notice of variation in relation to AuSelect's takeover bid for Sedimentary that has today been lodged with ASIC under section 650D(1)(b) of the *Corporations Act 2001* (Cth) giving notice that the offer period in respect of AuSelect's offers to acquire shares in Sedimentary (**Offers**) has been extended to 7.00 pm Melbourne time on 8 September 2006.

In accordance with ASX Listing Rule 3.2, AuSelect gives notice that:

- at the time of making the first of the Offers, AuSelect and its associates had a relevant interest in 19.9% of the ordinary shares in Sedimentary; and
- at the date of extension of the Offers, AuSelect and its associates had a relevant interest in 39.8% of the ordinary shares in Sedimentary.

Yours faithfully

Peter J Maloney
Company Secretary

1 September 2006

Dear Sedimentary Shareholder

AUSELECT LIMITED (AUSELECT) - TAKEOVER BID FOR SEDIMENTARY HOLDINGS LTD (SEDIMENTARY)

Enclosed is a notice of extension of the offer by AuSelect to acquire all your ordinary shares in Sedimentary (**Offer**). **AuSelect's Offer is now due to close on Friday 8 September 2006.**

We also **enclose** a copy of AuSelect's second supplementary bidder's statement dated 29 August 2006. The second supplementary bidder's statement sets out a number of reasons as to why AuSelect believes it is in your best interests to accept AuSelect's Offer for your Sedimentary shares. You should review this document carefully.

AuSelect advises that it will not vary its Offer terms to increase the consideration offered under its bid.

Accordingly, the pre-bid agreement with Lion Selection Group Limited (Lion) will terminate effective from midnight tonight.

This does not affect Lion's ability to accept AuSelect's Offer for Sedimentary.

As at 30 August 2006, AuSelect has received acceptances for 8.6% of Sedimentary shares (in addition to the 2.1% of Sedimentary that AuSelect held prior to the Offer commencing).

Should you have any questions, please feel free to contact the AuSelect Offer Information Line on 1300 360 917 (toll-free within Australia) or +61 3 9415 4337 (for international callers) or contact your broker or financial adviser.

As noted above, our Offer is now due to close on 8 September 2006. We look forward to receiving your acceptance and to welcoming you as a shareholder of AuSelect.

Yours faithfully



Robin Widdup
Managing Director

A copy of this notice was lodged with the Australian Securities and Investments Commission (ASIC) on 1 September 2006. ASIC takes no responsibility for the contents of the notice.

**NOTICE OF VARIATION OF TAKEOVER OFFER
FOR BID CLASS SECURITIES IN SEDIMENTARY HOLDINGS LTD**

TO: Sedimentary Holdings Ltd ABN 92 000 697 183 (Sedimentary)

AND TO: The holders of all of the ordinary shares in Sedimentary registered at 8.00 am Melbourne time on 21 July 2006 who have not already accepted the Offer (the "**Offerees**").

EXTENSION OF OFFER PERIOD

By this notice AuSelect Limited ABN 53 077 885 208 (**AuSelect**) varies its offers dated 1 August 2006 for all of the ordinary shares in Sedimentary (**Offers**) by:

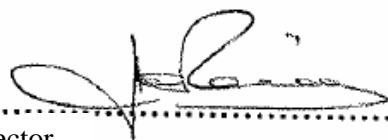
- (a) extending the period during which the Offers remain open for acceptance until 7.00 pm Melbourne time on 8 September 2006; and
- (b) substituting the date 8 September 2006 for the date "1 September 2006", in the following sections of the Bidder's Statement and accompanying documents dated 18 July 2006:
 - (i) the "Important Information" section under the heading "Important Dates";
 - (ii) the Managing Director's letter to Sedimentary Shareholders on page 2;
 - (iii) the "Why You Should Accept" section on page 4;
 - (iv) the "How to Accept the Offer" section on page 10;
 - (v) the "Summary of the Offer" section on page 11; and
 - (vi) section 7(a) of the Offers.

DATED 1 September 2006

SIGNED on behalf of AuSelect Limited by Robin Widdup and John O'Reilly being 2 directors of AuSelect Limited who are authorised to so sign by a resolution passed at a meeting of the directors of AuSelect Limited.



.....
Director



.....
Director