



EUMUNDI GROUP

Date: 24 May 2006

To: Australian Stock Exchange Limited
Companies Announcement Office
Electronic Lodgement System

Dear Sir,

EUMUNDI ANNOUNCES EARLY SETTLEMENT OF CASTLEMAINE LICENCE AND OPTION AGREEMENT

Eumundi Group Ltd is pleased to announce that it has reached agreement with Castlemaine Perkins Pty Ltd in relation to early termination of the Licence and Option Agreement (1998).

The original ten year Agreement gave Castlemaine Perkins Pty Ltd the right to brew, market and distribute Eumundi beer brands until 30 November 2008 in exchange for 10 annual payments of \$75,000 plus GST, with the last due on 1 November 2007, as well as royalties on volume sold. Further the Agreement included an option for the purchase of these brands by Castlemaine at the end of the Agreement period for a nominal fee (\$500).

The fundamental terms of the settlement are as follows:

1. The Licence and Option Agreement **is now** terminated.
2. On termination, Eumundi received a lump payment of \$600,000 plus GST. The total value of Royalty payments already received under the Agreement for product sold in the seven years to 31st October 2005 was \$398,973. **All annual payments due to date have been received.**
3. Ownership of the Eumundi beer brands **now** vest in Castlemaine Perkins Pty Ltd.

Eumundi Chairman Joe Ganim expressed the Boards complete satisfaction that this settlement represented an excellent outcome for Eumundi and the Company's appreciation to Castlemaine for their performance under the Agreement.

Yours sincerely
Eumundi Group Limited

Leni Stanley
Company Secretary