

DIVERSIFIED UNITED INVESTMENT LIMITED

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Monday 25 February 2008

DIVERSIFIED UNITED INVESTMENT LIMITED **PLACEMENT OF SHARES**

The Directors of Diversified United Investment Limited ('DUI') advise that the company is finalising the issue of 15,350,000 ordinary shares to Professional and Sophisticated investors at \$3.46 per share. The shares will not be entitled to the March interim dividend of 6 cents per share. After the dividend record date of 18 March 2008 all placement shares will rank equally with, and have the same rights as, all existing listed fully paid ordinary securities issued by DUI. The placement price represented a 5% discount to the latest announced Net Tangible Asset Backing Per Share of DUI as at 31 January 2008 adjusted for the interim dividend and market movements to Friday 22 February 2008.

The \$53,111,000 raised from the Placement will be used to reduce borrowings or held on deposit pending investment in shares.

The placement increases shareholder numbers by over approximately 700, adding to the liquidity of shares in the company, enabling expansion of the investment portfolio without having to sell long term investments, and assisting in continuing to lower the Management Expense Ratio.

Dixon Advisory & Superannuation Services Pty Limited ("Dixon Advisory") is the facilitator to this transaction. The shares were placed to institutional investors, and clients of Dixon Advisory, who are sophisticated and professional investors and exempt from the disclosure requirements of Chapter 6D of the Corporations Act.

As this placement represents less than 15% of the securities on issue, shareholder approval is not required to be sought in relation to the issue.

The transaction is expected to be settled on or before March 3 2008 and shares allotted on or about 5 March 2008. The expected date of quotation of placement shares is 12 March 2008, the same date that existing ordinary shares are expected to be quoted ex the interim dividend.

A J Hancock
Company Secretary