

Form 604

Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme 1300 SMILES LIMITED

ACN/ARSN 094 508 166

1. Details of substantial holder(1)

Name DARYL HOLMES

ACN/ARSN (if applicable)

There was a change in the interests of the substantial holder on 14/10/05

The previous notice was given to the company on 11/03/05

The previous notice was dated 11/03/05

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
ORD	15,787,539	84.94%	15,187,539	80.53%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
20/06/05	DARYL HOLMES AT THE TED HYBRID FIXED TRUST	OFF-MARKET TRADE	NIL	-100,000 ORD	-100,000
20/06/05	ASHBOURNE PARK PTY LTD	OFF-MARKET TRADE	NIL	100,000 ORD	100,000
14/10/05	DARYL HOLMES AT THE TED HYBRID FIXED TRUST	ON-MARKET TRADE	\$708,000	-600,000 ORD	-600,000

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
	SEC ANNEXURE A				

7. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (3) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association

8. Addresses

The addresses of persons named in this form are as follows:

Name	Address
SEE ANNEXURE B	

Signature

print name

DARYL HOLMES

capacity

MANAGING DIRECTOR

sign here

[Handwritten Signature]

date

29 / 10 / 05

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg, a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).
 See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg, if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

1300 SMILES LIMITED
ACN: 094 508 166

ANNEXURE A

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder	Nature of relevant interest	Class and number of securities	Person's votes
Daryl Holmes	Daryl Holmes ATF the TFD Hybrid Fixed Trust	Daryl Holmes	Holder of shares	14,352,137 Ordinary	14,352,137
Daryl Holmes	Golden Arch (Qld) Pty Ltd as trustee for the Whistler Discretionary Trust	Golden Arch (Qld) Pty Ltd	Controller of shares held by Golden Arch (Qld) Pty Ltd under s608(1)(b) & (c) of the Corporations Act 2001	470,000 Ordinary	470,000
Daryl Holmes	Ashbourne Park Pty Ltd as trustee for the TFD Hybrid Fixed Trust	Ashbourne Park Pty Ltd	Controller of shares held by Ashbourne Park Pty Ltd under s608(1)(b) & (c) of the Corporations Act 2001	266,402 Ordinary	266,402
Daryl Holmes	Ashbourne Park Pty Ltd as trustee for the Daryl Holmes Superannuation Fund	Ashbourne Park Pty Ltd	Controller of shares held by Ashbourne Park Pty Ltd under s608(1)(b) & (c) of the Corporations Act 2001	100,000 Ordinary	100,000

ANNEXURE B

Name	Address
Daryl Holmes ATF the TFD Hybrid Fixed Trust	PO Box 180, Belgian Gardens, Qld 4810
Golden Arch (Qld) Pty Ltd as trustee for the Whistler Discretionary Trust	PO Box 180, Belgian Gardens, Qld 4810
Ashbourne Park Pty Ltd as trustee for the TFD Hybrid Fixed Trust	PO Box 180, Belgian Gardens, Qld 4810
Ashbourne Park Pty Ltd as trustee for the Daryl Holmes Superannuation Fund	PO Box 180, Belgian Gardens, Qld 4810

This is annexure A & B of 1 page referred to in Form 804 (Notice of change of interests of substantial holder).

Print name: Daryl Holmes

Capacity: *M.D.*

Sign here:



Date: *29/10/05*