



EUMUNDI GROUP

5 December 2007

The Manager
ASX
Company Announcements Platform
Level 5
Riverside Centre
123 Eagle Street
BRISBANE QLD 4000

Dear Sir / Madam

Re: Eumundi Group Limited ACN 010 947 476 (Eumundi) - Selective Buy Back Agreement

Eumundi wishes to announce that it has entered in a selective buy-back agreement (**Buy-Back Agreement**) with Axiom Properties Limited ACN 009 063 634 (**Axiom**).

Axiom currently holds 14,268,989 fully paid ordinary shares in Eumundi which represents approximately 16.74% of Eumundi's total issued capital.

Under the Buy Back Agreement Eumundi has agreed to acquire all of Axiom's shares in Eumundi, at \$0.32 per share equalling a total consideration of \$4,566,076.48 (**Buy Back Price**). The Buy Back Price is based on the weighted average price of Eumundi's shares over the preceding 3 months trading.

Eumundi and Axiom entered into negotiations following Axiom's unsuccessful takeover bid for Eumundi earlier this year and, both Eumundi and Axiom's board believe that the Buy Back Agreement will be mutually beneficial to the parties.

Additionally, the board of Eumundi believes that as a consequence of reducing the number of shares on issue, the value of the remaining Eumundi shares will be enhanced through increased equity interests in Eumundi being held by remaining shareholders.

The Buy Back Agreement is subject to shareholder approval being obtained and Eumundi anticipates finalising meeting material shortly and holding an extraordinary general meeting early next year.

Further details of the Buy-Back Agreement will be provided to shareholders in the meeting materials that are to be dispatched to shareholders in due course.

Yours faithfully,

Leni Stanley
Company Secretary