
ANNOUNCEMENT TO THE ASX

Resignation of Founding Director

Sydney, 14 July 2006 - Gregory Australia Limited (ASX: GIL)

After 18 years involvement in the business, Mr Peter Gregory has announced his resignation as a director of the company in order to pursue his own extensive interests. The resignation is effective as at 15 July 2006.

Mr Gregory originally founded the business based on an innovative new concept the "dual density" chair in 1987. He was one of the pioneers that introduced the concept of ergonomic furniture to the work place and in April 1999 the company was floated on the ASX and Mr Gregory then became a Founding Director of the listed company.

With the acquisition of PNE Industries Pty Limited the company has now become a substantive diversified and dynamic company and the directors will therefore actively seek a new independent director to fill this vacancy who will contribute to the continued expansion and growth of the company.

A handwritten signature in black ink, appearing to read "Richard Sealy". The signature is written in a cursive style with a horizontal line underneath.

Richard Sealy
Chairman