

24 September, 2009.

Australian Securities Exchange Limited  
Exchange Centre,  
Level 4,  
20 Bridge Street  
Sydney NSW 2000.

Dear Sir / Madam,

**UNDERWRITING OF DIVIDEND REINVESTMENT PLAN**

Please find attached our announcement for delivery to the market.

Yours faithfully,



**Paul Freedman,  
Company Secretary**

## **UNDERWRITING OF DIVIDEND REINVESTMENT PLAN**

On 21 August 2009 Cedar Woods Properties Limited (ASX: CWP – “**Cedar Woods**” or the “**Company**”) announced a fully franked final dividend of 7 cents per share and the continuation of the dividend reinvestment plan (**DRP**).

The DRP is utilised as part of the Company’s ongoing capital management program. The DRP provides a convenient way for eligible shareholders to increase their shareholding in the Company by reinvesting all or part of their dividend entitlement in ordinary shares at a discount to the market price.

The Board is pleased to announce that Euroz Securities Limited has been appointed as underwriter of the DRP for an amount up to \$2.5 million.

Underwriting the DRP will enable the Company to strengthen the balance sheet, with funds raised to be used for ongoing working capital purposes.

DRP election notices are being sent to all shareholders today. The record date for the final dividend, being the latest date for the receipt of election notices, is 16 October 2009. New shares issued under the DRP will be issued at a 2.5% discount to the average of the daily weighted average market price of all Cedar Woods shares sold on the ASX over the 10 day trading period ending on 23 October 2009 (i.e. 5 days up to and including and 5 days after the record date). The new shares are expected to be allotted on 30 October 2009.

Shareholders who wish to retain their present participation status under the DRP need take no action, as previous elections will be maintained.

The final dividend will be paid on 30 October 2009 and new shareholding statements will be mailed to shareholders participating in the DRP shortly thereafter.

Further details will be provided in writing to all shareholders.

For further information please contact:

Paul Freedman  
Company Secretary  
Cedar Woods Properties Limited

08 9480 1500