



20 May 2005

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Dear Shareholder

Update on IWL Offer

You may have recently received a letter from IWL Limited (**IWL**) indicating that its offer for your shares (the **IWL Offer**) has been declared unconditional and is due to close at 7pm (Melbourne time) on 27 May 2005.

Your directors continue to recommend that you REJECT the IWL Offer for the reasons set out in the JDV Target's Statement and the other considerations set out in this letter. To reject the IWL Offer, simply do nothing.

Set out below are some further important information in relation to the IWL Offer.

1. Alternative proposals

Over the past few months, JDV has held detailed discussions with a number of parties and gained a better understanding of the alternative consolidation options that may be open to JDV. As at the date of this letter, JDV remains in active discussions around the structure and terms of alternative proposals. It is important to note that these proposals are still incomplete and the directors of JDV are unable to advise whether a transaction is likely to eventuate before the close of the IWL Offer, if at all.

The fact that no alternative proposal has been presented to JDV shareholders at this time does not mean that the IWL Offer is acceptable. The Board believes that the underlying JDV business will remain strong and is committed to ensure that JDV shareholders have the opportunity to participate and benefit from JDV's future growth and development, or receive an offer that fairly reflects the value of their JDV shares.

2. JDV's major shareholders have rejected the IWL Offer

JDV has been informed by its major shareholders, Westpac Banking Corporation (**Westpac**) and The Royal Bank of Canada (**RBC**), that both Westpac's and RBC's intentions are not to accept the current IWL Offer for their own holdings of JDV shares. As at the date of this letter, Westpac's and RBC's combined holding of JDV shares represents 57.32% of the issued capital of JDV.

An important implication of Westpac and RBC's rejection of the IWL Offer is that scrip-for-scrip capital gains tax roll-over relief will not be available as IWL will not acquire the necessary minimum 80% of the shares in JDV under its current offer. Accordingly,

shareholders who accept into the IWL Offer will not be entitled to roll-over relief from capital gains tax on the disposal of their JDV shares in exchange for IWL shares. This could result in the obligation to pay tax without receiving any cash proceeds on the sale of the JDV Shares under the IWL Offer.

A general outline of the tax implications of accepting the IWL Offer is set out in section 12.8 of the JDV Target's Statement. Shareholders are encouraged to seek their own specific professional advice as to the tax implications applicable to their circumstances.

3. Response to IWL's assertions

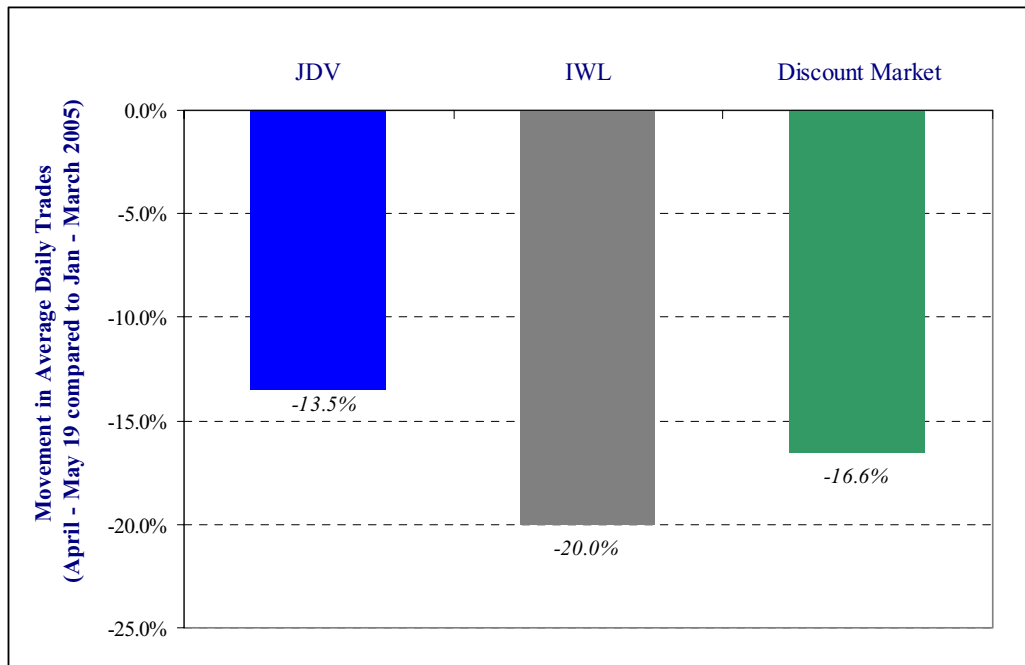
IWL has made a number of assertions in its letter to JDV shareholders of 20 May 2005. These assertions require a response:

- "JDV's forecast financial year 2005 NPAT is uncertain"* – This statement is misleading. Despite the decline in market activity, the JDV directors stand by the forecast provided in the Target's Statement. Although trading volumes are down across the market as a whole, JDV has actually gained market share in recent trading. As shown in the table below, JDV's market share has increased 0.57% to 13.47% while IWL's market share has fallen by 0.39% to 9.20%.

Name	Market Share (%)			% Movement
	Oct - Dec 04	Jan - Mar 05	Apr - 19 May 05	
CommSec	41.79%	50.31%	51.57%	1.26%
E*Trade	15.63%	16.97%	16.12%	-0.85%
JDV	12.54%	12.90%	13.47%	0.57%
AOT	9.88%	0.00%	0.00%	0.00%
IWL	9.71%	9.59%	9.20%	-0.39%
ML HSBC	6.42%	6.47%	6.04%	-0.43%
Andrew West	2.25%	2.15%	2.15%	0.00%
Avcol	1.78%	1.61%	1.45%	-0.16%
	100%	100%	100%	0.00%

As shown in the chart below, JDV's fall in average trading volume of 13.5% from 1 April 2005 to 19 May 2005 compared to the average for the January to March 2005 period is less than IWL's fall of 20%, and also the overall discount market's fall of 16.6%.

Change in Average Daily Trades April to 19 May compared to Jan to March 2005



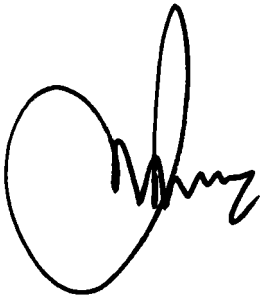
- *“IWLBS is not interested in accepting any alternative offer and can block any such proposal”* - As noted above, JDV continues to progress discussions with other parties on alternative proposals. If a proposal emerges, the IWL board will need to assess the proposal on its merits and must act in the interests of its shareholders in deciding whether or not to support that proposal.
- *“The JDV share price could potentially fall from current levels” and “Liquidity in JDV Shares may be substantially diminished”* – JDV cannot predict the share price or liquidity of JDV shares following the close of the IWL Offer. With only 12.75%¹ of JDV shareholders who have accepted the IWL Offer, there are still 883 shareholders in JDV. Whilst we note that JDV has traditionally been an illiquid stock, shareholders should focus on receiving fair value for their shares and not allow an opportunistic bidder to take advantage of the circumstances.

¹ Based on 129 acceptances and 883 shareholders of JDV at 19 May 2005

- *“By accepting the Offer and exchanging your JDV Shares for New IWL Shares, you will retain your exposure to the JDV business, through IWL, which is expected to benefit from synergies arising from the potential upside of this union”* – As noted above, Westpac and RBC have both indicated that they will not accept the current IWL Offer. Accordingly, following the close of the IWL Offer, IWL will not obtain control (let alone have 100% ownership) of JDV. You should be aware that many of the potential synergies referred to in the IWL bidder’s statement are dependent on IWL acquiring 100% of JDV.

The JDV directors reconfirm their advice that JDV shareholders should REJECT the IWL Offer by simply ignoring any documentation you receive from IWL. If you have any questions in relation to the IWL Offer, please call the JDV Shareholder Information Line on (08) 9268 2907.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Peter Mansell', written in a cursive style.

Peter Mansell
Chairman