

19 September 2008

Folkestone Limited

ACN 004 715 226

Level 24 / 360 Collins Street

Melbourne, Victoria 3000

Telephone: 03) 9670 7028

Facsimile: 03) 9642 1081

email: office@folkestone.com.au

website: www.folkestone.com.au

**Folkestone Limited Dividend Reinvestment Plan (DRP) -
Confirmation of share price to be used for allotment of shares to eligible
participants of the DRP in respect of dividend to be paid on 1 October
2008**

In respect of the final dividend of 3.5 cents per share to be paid on 1 October 2008, Folkestone Limited advise that the share price for the allotment of shares to eligible participants in accordance with the Dividend Reinvestment Plan has been calculated as 81 cents per share.

For further information regarding this press release please contact:

Mr Scott Martin
CFO & Company Secretary
Folkestone Limited
03-9670-7028