

SYDNEY
PARRAMATTA
MELBOURNE
BRISBANE

EXCHANGE CENTRE
LEVEL 12
20 BRIDGE STREET
SYDNEY NSW 2000
GPO BOX 7039
SYDNEY NSW 2001
T: 02 8248 7000
F: 02 8248 7200
WWW.HJB.COM.AU



WE KNOW PEOPLE

24 August 2009

The Australian Securities Exchange
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

Takeover bid by Charterhouse Pte Ltd for Hamilton James & Bruce Group Limited: Release of Target's Statement

In accordance with section 633 of the *Corporations Act 2001* (Cth), we enclose a copy of Hamilton James & Bruce Group Limited's (**HJB**) Target's Statement, dated 24 August 2009, in relation to Charterhouse's Pte Ltd's (**Charterhouse**) off-market bid to acquire all of the ordinary shares in HJB.

The Target's Statement has today been sent to Charterhouse and a copy has been lodged with the Australian Securities and Investments Commission.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Tim Burton-Taylor', is written over a light grey rectangular background.

Tim Burton-Taylor

RECRUITMENT ADVICE & CONSULTING

HAMILTON JAMES & BRUCE GROUP LIMITED

The Directors of
Hamilton James & Bruce Group Limited
unanimously recommend that you

ACCEPT CHARTERHOUSE PTE LTD'S OFFER

in the absence of a Superior Proposal

Target's Statement

in response to the offer by Charterhouse Pte Ltd (200601302C) to acquire all of your fully paid shares in Hamilton James & Bruce Group Limited for \$0.04 for each share you hold.

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in doubt about how to deal with this document, you should consult your legal, financial or other professional adviser immediately.

IMPORTANT INFORMATION

Date of the Offer	18 th August, 2009
Date of this Target's Statement	Monday 24th August, 2009
Close of the Offer Period (unless extended or withdrawn)	17:00 Sydney time on 21 st September 2009

Defined terms A number of defined terms are used in this Target's Statement. These terms are defined in the Glossary in **Section 10**.

Target's Statement This Target's Statement dated Monday 24th August 2009 is given by Hamilton James & Bruce Group Limited (ABN 90 091 302 975) (**HJB**) under Part 6.5 of the Corporations Act in response to the offer received from Charterhouse Pte Ltd (200601302C) (**Charterhouse**) for all of the shares in HJB under Charterhouse's Bidder's Statement dated 4 August 2009. You should read the Target's Statement in its entirety.

ASIC and ASX A copy of this Target's Statement has been lodged with the ASIC and sent to the ASX. None of ASIC, ASX nor any of their respective officers take any responsibility for the content of this Target's Statement.

Investment decisions This Target's Statement does not take into account the individual investment objectives, financial or tax situation and particular needs of any person. Before making a decision whether to accept the Offer, you should consider whether that decision is appropriate in light of those factors and seek independent financial and taxation advice.

Information line and website If you have any questions in relation to the Offer or this Target's Statement, please call Link Market Services on 1800 128 092 (for callers within Australia) or +61 2 8280 7725 (for callers outside Australia) which is available Monday to Friday between 8.30am to 5.00pm (Sydney time). In accordance with legal requirements, calls to these numbers will be recorded.

Disclaimer regarding forward looking statements This Target's Statement contains forward looking statements. These statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industry in which HJB is involved, as well as general economic conditions and conditions in the financial markets. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement and those deviations are both normal and to be expected. None of HJB, any of its officers, nor any person named in this Target's Statement with their consent or any person involved in the preparation of this Target's Statement makes any representation or warranty (either express or implied) as to the accuracy or likelihood in any forward looking statement, and you should not place undue reliance on these statements. Forward looking statements in this Target's Statement reflect views held only as at the date of this Target's Statement.

Letter from the Chairman of Hamilton James & Bruce Group Limited

Monday 24th August, 2009

Dear HJB Shareholder

Charterhouse Pte Ltd (**Charterhouse**) recently announced a \$0.04 per share cash offer to acquire all of your shares in Hamilton James & Bruce Group Limited (**HJB**) (**Offer**).

A copy of the Charterhouse Bidder's Statement, setting out their terms and conditions of Offer has been lodged with ASIC and ASX and accompanies this letter.

The Board of HJB unanimously recommends that you ACCEPT the Offer in the absence of a Superior Proposal. The Board makes this recommendation for the following reasons:

- the Board are of the view that the Offer is fair and reasonable given the past 12 months trading and future uncertainty and likely consolidation within the recruitment sector; and
- One of the HJB shareholders who controls approximately 55.8% of the HJB Shares has clearly stated his intention to accept the Offer, in the absence of a Superior Proposal; and
- in the absence of a higher bidder.

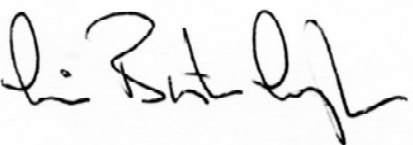
Please read this Target's Statement in full and in particular we recommend you give particular consideration to the Bidder's Statement for further detail on each of these matters.

As at the time of lodgement with ASIC of this Target's Statement no Superior Proposal has been announced.

The Offer is scheduled to close by 17:00 pm (Sydney time) on 21 September 2009, unless extended or withdrawn. This Target's Statement contains the detailed response of the Directors to the Offer and I encourage you to read its contents carefully.

Your Directors continue to work in your best interests with a view to continuing to maximise share value. We will continue to keep you informed of all material developments in regard to the Offer.

Yours faithfully



Timothy Burton-Taylor
Chairman

How to ACCEPT the Offer in the absence of a Superior Proposal

1.1 Acceptance

Your acceptance must be received before the end of the Offer Period 17.00 pm (Sydney time) on 21st September 2009, unless the Offer is extended.

- (a) Accept for all your HJB Shares

You may only accept this Offer in respect of all your HJB Shares.

- (b) CHESS Holdings

If your HJB Shares are in a CHESS Holding, you must comply with the ASTC Rules. To accept this Offer in accordance with those rules, you must:

- (i) instruct your Controlling Participant to initiate acceptance of this Offer under rule 14.14 of the ASTC Rules; or
- (ii) if you are a Participant, yourself initiate acceptance under that rule,

so as to be effective before the end of the Offer Period.

You may instead complete and sign the Acceptance Form in accordance with the instructions on it. Once completed and signed, you need to return the Acceptance Form together with all other documents required by the instructions on it to one of the addresses specified on the form. This will authorise Charterhouse to instruct your Controlling Participant to initiate acceptance of this Offer on your behalf. For return of the Acceptance Form to be an effective acceptance of the Offer, you must ensure it is received in time for Charterhouse to give instructions to your Controlling Participant, and for your Controlling Participant to carry out those instructions, before the end of the Offer Period.

- (c) Issuer Sponsored Holdings or unregistered holdings

If your HJB Shares are in an Issuer Sponsored Holding or if at the time of your acceptance you are entitled to be (but are not yet) registered as the holder of your HJB Shares, to accept this Offer you must complete and sign the Acceptance Form in accordance with the instructions on it. Once completed and signed, you should return the Acceptance Form together with all other documents required by the instructions on it to one of the addresses specified on the form so that they are received before the end of the Offer Period.

(d) Foreign Laws

It is your sole responsibility to satisfy yourself that you are permitted by any Foreign Law applicable to you to accept this Offer.

2 QUESTIONS

2.1 What is Charterhouse's Offer?

Charterhouse is offering to acquire all of your HJB Shares. The consideration under the Offer is \$0.04 per HJB Share.

Further details in relation to the Offer are set out in **Section 5** of this Target's Statement.

2.2 What is the Directors' recommendation?

The Directors' recommendation is to **ACCEPT THE OFFER**.

To accept the Offer, you must follow the instructions set out in Section 7.3 of the Bidder's Statement, as well as the instructions on the Acceptance Form.

Further details of the recommendation are set out in **Section 3** of this Target's Statement.

2.3 What is the current position of HJB?

Hamilton James & Bruce Group Limited (HJB) is a listed public company whose shares are listed on the Australian Stock Exchange (ASX). The HJB Shares are currently 99.91% Australian owned. Currently one shareholder owns 55.8% of HJB Shares and therefore it is a relatively illiquid trading stock. The Hamilton James & Bruce Group Limited comprises the brands Hamilton James & Bruce, HJB Bowdens, HJB Provincial Personnel and IT Resources.

The HJB name is underpinned by its strong brand presence for providing executive recruitment solutions and exceptional service to our customers for 30 years. Our reputation is demonstrated by our continued provision of quality service in the fields in which we operate plus repeat business and loyalty via our extensive and impressive customer base and Preferred Supplier Agreements. The Preferred Supplier Agreements have origins from the majority of our geographical locations and span government, commerce & industry and the banking and not for profit sectors. Our most recent success and one that is the envy of many, being the NSW Government c100 contract (four categories out of nine accepted). We have

alliance relationships with a number of recruitment organisations in states and territories where we have no physical presence, plus in NSW a number of sub-contractor alliances specifically relating to the c100 contract.

Our current operational locations include Sydney, Parramatta, Melbourne, Brisbane, Gold Coast and Canberra. We have vacant offices in Wacol and Chatswood. HJB carries on the business of executive recruitment services through the placement of permanent, contracting and temporary (on-hired) recruitment practices. Our key recruitment areas being: Technology; Government; Accounting; Banking, Finance & Insurance; Operations & Engineering; Human Resources; Sales, Marketing & Communications; Business Services and Hospitality.

HJB also offers customers unbundled recruitment services, a range of HR Consulting Services both directly and via an alliance partnership entered in 2009 to include outplacement and career transitioning services.

The last financial trading year July 2008 - June 2009 has seen us experience one of the most challenging years in the Australian recruitment industry and certainly in HJB's history. We have not been exempt from these challenges which appear to have missed few individuals and few organisations. HJB has during this tough period achieved the following:

- Transitioned its Invoice Financing facilities from ANZ to Affiniti Capital;
- Surrendered a 1500m² floor (4 years to run) which resulted in a release from a \$4.2M contingent liability in the prestigious ASX building;
- Increased our cash collections and reduced debtor balances plus now have greater adherence to our trading terms. As at the time of writing, we have less than 4% of our total debtors outstanding above 60 days;
- Focussed whole of business on improved productivity including reduced employee working hours and the implementation of "green and lean" policies;
- Completed a successful capital raising in December 2008 of approximately \$2M.
- Approximately \$1M in cash cover for bank guarantees / lease agreements;
- Secured additional funding for working capital purposes of \$1.365 million with the potential of up to \$2.0 million. This was via

unsecured loans to the business subject to members approving a Convertible Note issue.

- Secured four of the nine categories within the NSW Government c100 contract - an approximate total value of \$400M;
- Continued to retain key personnel throughout the business necessary for the execution of both strategic and operational strategies; and
- Continued to retain key customers with strong buying needs throughout tough times and throughout the business

Notwithstanding the abovementioned positives, trading conditions continue to be both extremely competitive and volatile. Our revenues have continued to decline in the past twelve months relative to the prior year and relative to our market positioning. In particular our flagship office in Sydney experienced an operating loss of \$(424K) for the twelve months along with losses for our newer and less established offices. The first quarter of the 2009 calendar year was a particularly slow and therefore unprofitable period for HJB. Declining revenues has of course put pressure on our cash flow which we have managed to date.

Our temporary and contracting numbers and revenues are currently at FTE circa 380 and generate approximate \$900K in gross revenues per week. Full year 2008/09 gross temporary/contracting sales were \$46.5M. This is considered a strong temporary and contracting book. We are currently experiencing increases in opportunities due to the c100 contract and market share opportunities. Our permanent recruitment pipelines are slowly rebuilding post the sudden reduction late in 2008.

The outlook for the Australian economy is cautiously optimistic with an underlying commitment from governments alike to protect jobs and create job opportunities via new projects and initiatives. This should ensure continued opportunities for the recruitment sector to re-build and grow, albeit leaner, stronger and with a variation of offerings to the market and its customers.

Over the past month, and in conjunction with 2009/2010 budget preparations we have worked on strengthening our senior management team via a re-grouping and re-alignment of responsibilities. No additional headcount - just focussing on the growth opportunities around our C100 contract and sales strategies across the whole business. When implemented, we know this will have a positive impact on our sales outcomes.

The audited financial statements for the full year ending 30th June 2009 will be lodged with ASIC and available on ASX no later than 31st August 2009.

2.4 What will happen at the extraordinary general meeting scheduled for 25 August 2009?

In notices of meeting sent to HJB Shareholders on 23 July 2009, HJB convened an extraordinary general meeting of HJB Shareholders for Tuesday, 25 August 2009.

The purpose of the extraordinary general meeting, as set out in the notice, was to consider and approve 2 resolutions:

- (a) the issue of 250 convertible notes to related parties to the value of \$1,250,000 (which are convertible to a maximum of 83,333,333 HJB Shares); and
- (b) the issue of 150 convertible notes to unrelated third parties to the value of \$750,000 (which are convertible to a maximum of 50,000,000 HJB Shares).

As was noted in the letter to HJB Shareholders that accompanied the notice convening the extraordinary general meeting, at the time the notice was issued, HJB proposed to raise up to \$1,250,000 for working capital, which was urgently required.

HJB has postponed the Notice of Extraordinary Meeting until 23rd September 2009 which is after this close off offer date. This being in the best interests of all parties.

2.5 What should I do to assess the Offer?

Before making a decision whether to accept or reject the Offer for your HJB Shares, you should read this Target's Statement carefully and seek independent financial and taxation advice.

2.6 What is the effect of accepting the Offer?

If you accept the Offer and the Offer becomes unconditional, you will receive \$0.04 in respect of each HJB Share for which you accept the Offer.

Subject to any statutory withdrawal rights that may arise, once you accept the Offer (even whilst it remains subject to the Conditions), you will:

- (a) give up your right to sell your HJB Shares to anyone else, including selling them on ASX or accepting any Superior Proposal that may emerge;
- (b) give up your right to otherwise deal with your HJB Shares; and

- (c) lose any Rights attaching to your HJB Shares as at the date of your acceptance.

However, you will be entitled to receive any increase that Charterhouse makes to the Offer consideration after your acceptance.

Complete details of the effect of acceptance of the Offer are set out in Sections 1.2 and 7 of the Bidder's Statement. You should read that section in full to understand the effect that acceptance will have on your ability to exercise the Rights attaching to your HJB Shares, and the representations and warranties that you give if you choose to accept the Offer. The Rights you will give up will include your voting rights and entitlement to any dividends from the date of your acceptance of the Offer.

2.7 When can I withdraw my acceptance?

You will only have statutory rights to withdraw your acceptance if:

- (a) the Offer is varied in a manner that postpones for more than one month the time which Charterhouse has to meet its obligations under the Offer. In that case, you will have a period of one month after the date that the Offer is extended to withdraw your acceptance. Your statutory withdrawal rights will terminate upon the expiry of the one month period, although if the Offer Period is further extended, you may receive further statutory withdrawal rights; or
- (b) the Conditions attaching to the Offer have not been satisfied or waived by Charterhouse before the end of the Offer Period.

Except in these limited circumstances, if you accept the Offer, you will give up your Rights to sell your HJB Shares or to accept any competing offer or Superior Proposal, if an offer were made, during the Offer Period.

If this variation occurs, a notice will be sent to you at the relevant time that explains your right to withdraw your acceptance of the Offer.

2.8 When do I have to make a decision?

The Offer is open until 17:00 on 21st September 2009 unless extended or withdrawn in accordance with the Corporations Act.

2.9 When will I be sent my consideration if I accept the Offer?

If you accept the Offer, the cash which you are entitled to receive for your HJB Shares will be paid to you by the end of whichever of the following periods ends earliest:

- (a) one month after the Offer is accepted or, if the Offer is subject to a condition when accepted, within one month after the Offer becomes unconditional; and
- (b) 21 days after the closing date for the Offer.

Further details are set out in **Section 7.5** of the Bidder's Statement.

2.10 What are the Conditions to the Offer?

The conditions to the Offer include 50.1% minimum acceptance and there being:

- (a) no Prescribed Occurrences;
- (b) no action by any public authority adversely affecting the bid; and
- (c) no material adverse change in relation to HJB.

Further details of the Conditions are set out in **Section 5.4** of this Target's Statement and Section 7.6 of the Bidder's Statement.

2.11 What happens if the Conditions to the Offer are not satisfied or waived?

If the Conditions to the Offer are not satisfied or waived before the end of the Offer Period, the Offer will lapse. You would then be free to deal with your HJB Shares even if you have accepted the Offer.

See **Section 2.7** of this Target's Statement for more detail.

2.12 What are the tax implications of accepting the Offer?

A general outline of the capital gains tax implications of accepting the Offer is set out in **Section 3.2** of this Target's Statement and a general discussion of all taxation implications of accepting the Offer is set out in Section 6.1 of the Bidder's Statement.

As the outlines are of a general nature only, HJB Shareholders are encouraged to seek their own specific professional advice as to the taxation implications applicable in their circumstances.

2.13 Will I be forced to sell my HJB Shares?

You cannot be forced to sell your HJB Shares unless Charterhouse acquires a relevant interest in at least 90% of HJB Shares and is able to proceed to compulsory acquisition of the remaining HJB Shares in accordance with the Corporations Act.

See **Section 3.4** of this Target's Statement for more details.

2.14 How do I reject the Offer?

If, despite the Directors' recommendation to **ACCEPT** the Offer, you want to reject the Offer, you need not take any action.

2.15 What should I do if I have any more questions?

If you have any questions in relation to the Offer, you should contact your financial, legal or other professional adviser.

HJB has set up a shareholder information line. If you have any questions in relation to the Offer, you can call the shareholder information line on 1800 128 092 (for callers within Australia) or +61 2 8280 7725 (for callers outside Australia) which is available Monday to Friday between 8.30am to 5.00pm (Sydney time). In accordance with legal requirements, calls to these numbers will be recorded.

3 MATTERS YOU SHOULD CONSIDER IN RESPECT OF THE OFFER

3.1 Recent history of HJB

HJB was established in 1979. Over the 30 years HJB has listed on the Australian Stock Exchange in 2000 as an executive permanent recruitment business, opened a network of eight offices within mainland Australia and New Zealand, bought five recruitment businesses and subsequently sold one of these. It has developed an international brand awareness and strong market reputation for a recruitment company that gets customers hiring right. HJB has expanded its offerings from executive permanent recruitment to include temporary and contracting, plus unbundled recruitment services. Core focus has included growing the company profitably, staff retention, commitment to customers and operational effectiveness.

Revenues over the past six - twelve months have declined dramatically due to market conditions, and putting further pressure on productivity, cost reductions and cash flows. 2008/2009 full year unaudited results include the following key statistics:

1. Half Year July - December 08 Gross Revenues of in excess of \$30M;
2. Half Year January to June 09 Gross Revenues of in excess of \$23M;
3. Half Year July - December 08 Gross Margin in excess of \$8.4M;
4. Half Year January - June 09 Gross Margin in excess of \$5.3M;

5. Average monthly gross revenue per billing consultant from July - December 08 = \$58,211 and average monthly gross revenue per billing consultant from January - June 09 = \$71,085;
6. Average monthly net sales per billing consultant from July - December 08 = \$16,968 and average monthly net sales per billing consultant from January - July 09 = \$16,160;
7. HJB has \$566K in tax losses as at 30/06/07;
8. \$1.5M in franking credits as at 31/12/08;
9. Approximately \$1M in cash with the ANZ Bank to cover against bank guarantees for property leases; and
10. At 24 August 2009, HJB has banked \$1.365M in funds against the Convertible Loan Note (CLN). These funds are on loan and repayable if the CLN does not proceed.

3.2 CGT consequences of accepting the Offer

Outlined below is a summary of the general capital gains tax (CGT) consequences arising on an acceptance of the Offer.

The outline provided in this Section 3.2 of this Target's Statement and in Section 6.1 of the Bidder's Statement is of a general nature only and you should seek your own specific professional advice as to the taxation implications applicable to your circumstances.

The following comments are based on the assumption that you are an Australian resident for tax purposes and hold your HJB Shares on capital account. The income tax consequences may differ for HJB Shareholders who are not Australian residents for tax purposes and for HJB Shareholders who hold their HJB Shares as trading stock or as part of a profit-making undertaking or scheme.

Capital gains and capital losses

If you accept the Offer, the sale of your HJB Shares will have CGT consequences in the financial year you accept the Offer. The CGT consequences of the sale of your HJB Shares must be determined in respect of each individual HJB Share you hold.

You will make a capital gain from the sale of a HJB Share if the capital proceeds received on sale of the HJB Share exceeds the cost base of the HJB Share. The cost base of a HJB Share is the amount you paid to acquire it (including any incidental costs such as brokerage fees) reduced by the amount of any returns of capital paid to you in respect of the HJB Share.

You will make a capital loss from the sale of a HJB Share if the capital proceeds are less than the reduced cost base of the HJB Share (being the cost base reduced by the amount of returns of capital).

HJB has not paid any dividend in respect of shares since December 2005.

In order to determine the capital gain or capital loss from the sale of each individual HJB Share, the cost base and capital proceeds must be apportioned on a reasonable basis between each HJB Share. The apportionment basis adopted for determining the cost base and capital proceeds for each HJB Share will not affect the amount of your overall capital gain or loss from the sale of your HJB Shares.

You should seek independent taxation advice if you have any doubt in relation to determining your capital gain or loss from the sale of your HJB Shares.

3.3 General matters

In considering whether to accept the Offer, the Directors encourage you to:

- (a) read the whole of this Target's Statement together with the Bidder's Statement;
- (b) ensure that you understand the consequences of accepting or rejecting the Offer, as noted in this Target's Statement and the Bidder's Statement;
- (c) have regard to the current and historical share price of HJB Shares;
- (d) have regard to your individual risk profile, portfolio strategy, tax position and financial circumstances; and
- (e) obtain advice from your legal, financial or other professional adviser if you are in any doubt as to what you should do.

3.4 Possibility of continued listing

The Charterhouse offer states that the company intends to remain listed if the bid is successful but less than 100% of the company is acquired. This may not be possible.

For the company's securities to remain listed, it must maintain on an ongoing basis a sufficient spread of security holders.

Rule 12.4 of the Australian Securities Exchange Listing Rules (**Listing Rules**) requires that the Company maintain a spread "sufficient to ensure that there is an orderly and liquid market in its securities." Further detail is

not given on the meaning of “sufficient to ensure that there is an orderly market” but Rule 17.10 indicates that the ASX may remove a security from quotation if it “no longer meets the requirements for quotation”.

For a security to be first quoted on the ASX either of the following to be satisfied:

- 1 there are at least 500 security holders each having a parcel of \$2,000 each; or
- 2 there are at least 400 security holders each having a parcel of \$2,000 each and at least 25% of the total securities are held by persons that are not related parties of the Company.

At the date of this Target’s Statement, there are over 400 security holders but less than 100 holding at least \$2,000 each of HJB ordinary shares.

If Charterhouse is successful in its bid, the number of security holders holding shares in the Company will be reduced.

There will be an increased likelihood that the Company’s securities will be removed from quotation of the ASX if the number of security holders falls below 500 (or 400 if at least 25% of the total securities are held by persons that are not related parties of the Company).

If the securities of the Company are no longer listed the remaining security holders may find it more difficult to sell their shares and this may affect the value of each security.

3.5 Compulsory acquisition

Charterhouse will be able to compulsorily acquire any outstanding HJB Shares for which it has not received acceptances on the same terms as the Offer, if during, or at the end of, the Offer Period, Charterhouse (taken together with its Associates) has a relevant interest in at least 90% (by number) of the HJB Shares.

If this threshold is met, Charterhouse will have one month from the end of the Offer Period within which to give compulsory acquisition notices to HJB Shareholders who have not accepted the Offer. The consideration payable by Charterhouse will be the consideration last offered in the Offer.

If Charterhouse does not become entitled to compulsorily acquire the HJB Shares in accordance with the above procedures, it may nevertheless become entitled to exercise general compulsory acquisition rights under Part 6A.2 of the Corporations Act.

HJB Shareholders may challenge any compulsory acquisition, but this would require the relevant HJB Shareholders to establish to the satisfaction of a court that the terms of the Offer do not represent fair value for the HJB Shares. If HJB Shares are compulsorily acquired, HJB Shareholders that have not accepted the Offer are not likely to receive any payment until at least one month after the compulsory acquisition notices are sent.

Charterhouse has indicated in Section 3.9 of the Bidder's Statement that if it becomes entitled to compulsorily acquire outstanding HJB Shares, it intends to exercise that right.

3.6 Failure to reach minimum acceptance threshold

Charterhouse has indicated in **Section 7.6** of the Bidder's Statement that its current intention is that it will not proceed with the Offer unless the Conditions to the Offer are satisfied.

4 DIRECTORS' RECOMMENDATION AND REASONS

4.1 Summary of the Offer

Charterhouse is offering \$0.04 cash for each HJB Share held by you.

At the date of this Target's Statement, the Net Assets of HJB have been determined as approximately \$6.3M or 4.7 cents per share.

The amount offered by Charterhouse under the Offer is less than the Net Assets of HJB of approximately \$6.3M.

The offer is for a cash settlement.

There will no brokerage fee payable on the sale of your HJB Shares.

The offer is at a higher price from recent ASX quotations and settlements as identified in the Bidders Statement.

The Offer is subject to a number of conditions. Information regarding the Conditions is set out in **Section 5.4** of this Target's Statement.

4.2 The Directors

The following are Directors of HJB at the date of this Target's Statement:

- (a) **Mr Timothy Burton-Taylor**
Non Executive Chairman

- (b) **Ms Deborah Wilson**
Managing Director , CEO
- (c) **Mr Mohit Prasad**
Director, CFO, Company Secretary
- (d) **Mr Steve Roberts**
Non-Executive Director, Independent Director

The Directors consider themselves independent for the purposes of the Offer and therefore can advise Shareholders. The interests of each Director are set out in **Section 6.1** of this Target's Statement.

4.3 Directors' Recommendation

The Directors have unanimously recommended that you ACCEPT the Offer.

Each Director who controls HJB Shares intends to do the following with the HJB Shares they control:

- (a) Mr Tim Burton-Taylor is undecided;
- (b) Ms Deborah Wilson intends to ACCEPT the offer, in the absence of a Superior Proposal; and
- (c) Mr Steve Roberts intends to ACCEPT the Offer, in the absence of a Superior Proposal.

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4.4 Reasons for Directors Recommendation

In assessing the Offer, the Directors have had regard to a number of considerations, including the information set out in the Bidder's Statement.

Each of the Directors recommends that the Offer be accepted for the following reasons:

- (a) **Working Capital**

HJB monitors its working capital on a daily basis. With the decline in revenues and pressure on costs working capital is imperative to our business. Charterhouse has stated they have ample working capital for the business, plus have expansion plans both geographically and for most offices.

- (b) **Not aware of other potential bidders**

At the date of issue of this Target's Statement, the Directors believe it is unlikely a Competing Proposal would be made. Mr Victor John Plummer who owns 55.83% of the issued capital of HJB entered into a pre-bid agreement on 4 August 2009 under which Mr Plummer agreed to sell 19.9% of the issued HJB Shares to Charterhouse. HJB has subsequently been advised that Mr Plummer has accepted the Offer in relation to the balance of his HJB Shares.

(c) **HJB Share price may fall below current levels**

It is possible that the HJB Share price might fall below current levels if the Offer does not proceed and no Superior Proposal emerges. We note that

- (i) this offer offers a price that is higher than recent trading levels;
- (ii) as of 19 August 2009, the HJB's largest shareholder has accepted the offer; and
- (iii) Charterhouse has operated within the recruitment sector since 2003 and has experience and expertise to manage the business.

4.5 Material developments

The Directors will advise you if there are any material developments in relation to the Offer during the Offer Period.

5 CHARTERHOUSE'S OFFER

5.1 Summary of the Offer

The information in this **Section 5** is a summary only of the Offer.

Please refer to Sections 1 and 7 of the Bidder's Statement for the full terms and conditions of the Offer.

Before making any decision in relation to your HJB Shares, you should read the Bidder's Statement and this Target's Statement.

5.2 The Offer

Charterhouse is offering to acquire all of your HJB Shares by way of an off-market takeover.

5.3 Consideration

The consideration under the Offer is \$0.04 for each HJB Share.

If you accept the Offer, the cash which you are entitled to receive for your HJB Shares will be paid to you by the end of whichever of the following periods ends earliest:

- (a) one month after the Offer is accepted or, if the Offer is subject to a condition when accepted, within one month after the Offer becomes unconditional; and
- (b) 21 days after the closing date for the Offer.

Further details are set out in Section 7.5 of the Bidder's Statement.

5.4 Conditions

HJB Shareholders should note that the Offer is subject to a number of Conditions and the Offer will lapse unless these Conditions are either satisfied or waived prior to the end of the Offer Period.

By way of overview, the Offer is subject to the following Conditions:

- (a) **Minimum acceptance:** during or by the end of the Offer Period, Charterhouse together with its Associates have relevant interests in that number of HJB Shares which is equal to at least 50.1% of the number of HJB Shares then on issue;
- (b) **Prescribed Occurrences:** no Prescribed Occurrence occurs between the Announcement Date and the end of the Offer Period;
- (c) **No action by Public Authority adversely affecting the Bid:** no action by any public authority, except in relation to the Offer, occurs which adversely affects the Bid between the Announcement Date and the end of the Offer Period; and
- (d) **no material adverse change:** no change occurs which has or could reasonably be expected to have a materially adverse effect on HJB between the Announcement Date and the end of the Offer Period.

The Conditions are set out in full in Section 7.6 of the Bidder's Statement.

5.5 Why Charterhouse believes you should accept the Offer

Charterhouse states that HJB Shareholders should accept the Offer for the following reasons:

- (a) you will receive cash for your HJB Shares and incur no brokerage charges; and
- (b) the prospect of another offer is low.

Please refer to Page 2 of the Bidder's Statement for details of Charterhouse's reasons why you should accept the Offer.

5.6 Scheduled closing date

The Offer is scheduled to close at 17:00 (Sydney time) on 21 September 2009.

Charterhouse cannot close the Offer earlier than this date, except in accordance with the Corporations Act.

However, the Offer may be extended or withdrawn by Charterhouse in accordance with the Corporations Act (see Sections 7.8 of the Bidder's Statement).

5.7 Enquiries

If you have any queries in relation to the Offer, you should contact your financial, legal or other professional adviser.

HJB has set up a shareholder information line. If you have any questions in relation to the Offer, you can call the shareholder information line on 1800 128 092 (for callers within Australia) or +61 2 8280 7725 (for callers outside Australia) which is available Monday to Friday between 8.30am to 5.00pm (Sydney time). In accordance with legal requirements, calls to these numbers will be recorded.

6 INFORMATION ON SHARES

6.1 Interests held by or on behalf of the Directors in HJB Shares

As at the date of this Target's Statement, the number and description of securities in HJB in which each of the Directors has a relevant interest are as follows:

Name	Position	Relevant interest in HJB Shares
Mr Timothy Burton-Taylor	Non-Executive Chairman	10,679,588 or 8%

Ms Deborah Wilson	Managing Director, CEO	1,039,697 or 0.8%
Mr Mohit Prasad	Director, CFO	Nil
Mr Steve Roberts	Non-Executive Director, Independent Director	2,788,331 or 2.1%

6.2 Dealings by Directors in HJB Shares

There have been no acquisitions or disposals of securities in HJB by any Director in the period from 9th January 2009 ending on the date immediately before the date of this Target's Statement.

6.3 Dealings by Associates of HJB or HJB in HJB Shares

There have been no acquisitions or disposals of securities in HJB by any Associate of HJB or HJB in period from 9th January 2009 ending on the date immediately before the date of this Target's Statement.

6.4 Relevant interests in securities of Charterhouse

None of HJB, HJB or any Director has a relevant interest in securities of Charterhouse.

7 OTHER ARRANGEMENTS

7.1 No payments or benefits

It is not proposed that:

- (a) a prescribed benefit (not being an excluded benefit) will or may be given to a person in connection with the retirement of a person from a prescribed office in relation to HJB; or
- (b) a prescribed benefit will or may be given to a prescribed person in relation to HJB in connection with the transfer of the whole or any part of the undertaking or property of HJB.

7.2 Conditional agreements or arrangements with Directors

There is no agreement or arrangement made between any Director and any other person in connection with or conditional upon the outcome of the Offer.

7.3 Interests held by Directors in any contract entered into by Charterhouse

No Director has an interest in any contract entered into by Charterhouse.

8 ADDITIONAL INFORMATION

8.1 Financial position of HJB

The last published audited financial results of HJB were for the half year ended 31 December 2008. It should be noted that we are in the final stages of completing our Appendix 4E and the release of our FY09 audited accounts to the market.

Within the knowledge of each of the Directors, the financial position of HJB has not materially changed since 31 December 2008 (the date of the last half-yearly financial reporting to the holders of HJB Shares in accordance with section 315 of the Corporations Act was on 9 April 2009) other than as disclosed to the market in releases prior to the date of this Target's Statement.

On 9 April 2009, the Directors advised that, as at 31 December 2008, the Net Assets for HJB was approximately \$6.7M. As at 30 June 2009 the Net Assets for HJB was approximately \$6.3M (unaudited) or 4.7 cents per share.

8.2 HJB's issued securities

As at the day before the date of this Target's Statement, the issued securities of HJB consist of 134,283,370 HJB Shares. The HJB Shares are listed on ASX.

8.3 Distributions

N/A

8.4 Changes in HJB's financial position

Apart from the costs that have been and are going to be incurred in responding to the Offer, as far as is known to the Directors, there has been no material change to HJB's financial position since the date of the half-year report ending on 31 December 2008 which has not been announced to ASX.

See **Section 8.1** of this Target's Statement for more details.

8.5 Professional services

Up to approximately \$40,000 of fees for professional services and other transaction costs are currently expected to be incurred by HJB in responding to the Offer.

8.6 Material litigation

As of the day immediately before the date of this Target's Statement:

- (a) there is no material litigation that HJB is involved with; and
- (b) the Directors are not aware of any current or proposed litigation or dispute that is material in the context of HJB taken as a whole.

8.7 ASX announcements

ASX announcements made by HJB since 30 June 2009 and the date immediately before the date of this Target's Statement are as follows:

Date	Announcement
21/08/09	Market Update 21 August 2009
14/08/09	Alteration to Notice of Meeting
14/08/09	Alteration to Notice of Meeting
14/08/09	Response to ASX Query – Corporate Governance
05/08/09	Directors' Statement re Takeover
04/08/09	Intention to Make Takeover Bid by Charterhouse Pte Ltd
04/08/09	Becoming a substantial holder
23/07/09	Notice of Extraordinary General Meeting/Proxy Form
23/07/09	Notice of Extraordinary General Meeting/Proxy Form
15/07/09	Initial Director's Interest Notice
08/07/09	Director Appointment
07/07/09	Update on Financial and Operational Issues
01/07/09	HJB Moves Up

All ASX announcements, including those made by HJB may be reviewed at www.asx.com.au.

8.8 Consents

The following persons have given and have not, before the date of this Target's Statement, withdrawn their consent to:

- (a) being named in this Target's Statement in the form and context in which they are named; and
- (b) where applicable, the inclusion of other statements in this Target's Statement which are based on or referable to statements noted next to their names, or which are based on or referable to other statements made by those persons, in the form and context in which they are included.

Name of Person	Capacity	Statements
Directors	Directors of HJB	Statements made by, or statements based on statements made by, the Directors
PriceWaterhouseCoopers	Tax Advisers	Statements as to tax implications in Section 3.2

Each of the persons named above:

- (a) does not make, or purport to make, any statement in this Target's Statement other than those statements referred to above and as consented to by that person; and
- (b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Target's Statement other than as described in the section with the person's consent.

8.9 ASIC modifications

As permitted by ASIC Class Order 1/1543, the Target's Statement contains statements which are made, or based on statements made, in documents lodged by Charterhouse with ASIC or ASX. Under the terms of the ASIC Class Order 1/1543, the persons who made those statements are not required to consent to, and have not consented to, those statements being included or referred to in this Target's Statement.

If you would like to receive a copy of any of those documents (or parts of the documents) that contain the statements, you may obtain a copy free of charge by contacting the shareholder information line on 1800 128 092 (for callers within Australia) or +61 2 8280 7725 (for callers outside Australia) which is available Monday to Friday between 8.30am to 5.00pm (Sydney time). In accordance with legal requirements, calls to these numbers will be recorded.

8.10 Date of this Target's Statement

This Target's Statement is dated 24 August 2009, which is the date it was lodged with ASIC.

8.11 Approval of Target's Statement

This Target's Statement has been approved by a unanimous resolution passed by the Directors on 24 August 2009.

9 OTHER INFORMATION MATERIAL TO THE MAKING OF A DECISION BY A HOLDER OF HJB SHARES

9.1 Obligation to include information in this Target's Statement

This Target's Statement is required to include all the information that HJB Shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the Offer, but:

- (a) only to the extent to which it is reasonable for HJB Shareholders and their professional advisers to expect to find this information in this Target's Statement; and
- (b) only if the information is known to any Director.

9.2 Information included in this Target's Statement

The Directors are of the opinion that the information that HJB Shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the Offer, which has not previously been disclosed to the holders of HJB Shares or disclosed to ASX under the regular reporting and disclosure obligations of HJB under the Corporations Act and the Listing Rules, is:

- (a) the information contained in the Bidder's Statement (to the extent that the information is not inconsistent with or superseded by information in this Target's Statement); and

- (b) this Target's Statement.

9.3 No responsibility for Bidder's Statement

The Directors have assumed, for the purposes of preparing this Target Statement, that the information contained in the Bidder's Statement is accurate (unless they have expressly indicated otherwise in this Target's Statement). However, the Directors do not take any responsibility for the contents of the Bidder's Statement and are not to be taken as endorsing, in any way, any or all of the statements contained in it.

9.4 Criteria used by Directors

In deciding what information should be included in this Target's Statement, the Directors have had regard to:

- (a) the nature of the HJB Shares;
- (b) the matters which HJB Shareholders may reasonably be expected to know;
- (c) the fact that certain matters may reasonably be expected to be known to the professional advisors of HJB Shareholders; and
- (d) the time available to HJB to prepare this Target's Statement.

10 GLOSSARY

10.1 Definitions

In this Target's Statement, unless the contrary intention appears:

Acceptance Form means the form of acceptance of the Offer enclosed with the Bidder's Statement or, as the context requires, any replacement or substitute form provided by or on behalf of Charterhouse;

Announcement Date has the meaning given in Section 8.1 of the Bidder's Statement;

ASIC means Australian Securities and Investments Commission;

Assets mean all the property, rights and income of HJB;

Associate has the same meaning as in the Corporations Act;

ASX means ASX Limited (ACN 008 624 691);

ASTC means ASX Settlement and Transfer Corporation Pty Ltd (ACN 008 504 532);

ASTC Business Rules means the business rules of ASTC;

Bidder's Statement means the Bidder's Statement of 4 August 2009 given by Charterhouse to HJB on 4 August 2009 in accordance with the provisions of Part 6.5 of the Corporations Act and the Replacement Bidder's Statement of 18 August 2009 given by Charterhouse to HJB on 18 August 2009;

Broker has the meaning given in the ASTC Business Rules, being a person who is a sharebroker and a participant in CHESS;

Charterhouse means Charterhouse Pte Ltd (200601302C) of 4 Battery Road Bank of China Building #33-01 SINGAPORE 049908;

CHESS means Clearing House Electronic Subregister System;

CHESS Holding means a number of shares which are registered on HJB Share register being a register administered by the ASTC and which records uncertificated holdings of Shares;

Competing Proposal means a bona fide proposal or offer by a person (other than Charterhouse) pursuant to which that person would, if entered into or completed in accordance with its terms, be taken to have acquired:

- (a) a relevant interest in 20% or more of the HJB Shares;
- (b) voting power of 20% or more in HJB;
- (c) any interest in all or a substantial part of the business or assets of HJB, whether directly or indirectly (including by way of joint venture, dual-listed company structure or otherwise); or
- (d) control of HJB;

Conditions mean the conditions to the Offer as set out in Section 7.6 of the Bidder's Statement;

Controlling Participant means, in relation to HJB Shares, the Broker or non-Broker participant that has the capacity in CHESS to transfer HJB Shares;

Corporations Act means the *Corporations Act 2001* (Cth);

Directors mean all of the directors of HJB (who, as at the date of this Target's Statement, are those persons detailed in **Section 4.2** of this Target's Statement);

HJB means Hamilton James & Bruce Group Limited (ABN 90 091 302 975) of Level 12, 20 Bridge Street, Sydney, New South Wales, 2000;

HJB Share means a fully-paid ordinary share in the capital of HJB;

HJB Shareholder means a registered holder of HJB Shares;

Issuer Sponsored Holding means a holding of HJB Shares on HJB's issuer sponsored subregister;

Liabilities means all liabilities of HJB (including liabilities accrued but not yet paid and all expenses incurred by HJB and a reasonable estimate of expenses likely to be incurred by HJB, including legal, accounting, printing and registry costs in connection with the Offer) and any provision which HJB decides with HJB's auditor's agreement should be taken into account in determining the liabilities of HJB;

Listing Rules means the Listing Rules of ASX;

Net Assets means the sum of the amount equal to the value of the Assets determined either:

- (a) by bonafide third party valuation; or
- (b) HJB's determination of the market value of the Assets, including as disclosed under this Target's Statement,

less all Liabilities;

Offer means the takeover offer by Charterhouse for all of the HJB Shares it does not already have a relevant interest in, as described in the Bidder's Statement and **Offers** has a corresponding meaning;

Offer Period means the period within which the Offer is capable of acceptance, as defined in the Bidder's Statement;

Offer Price means the offer of \$0.04 for each HJB Share under the Offer;

Prescribed Occurrences means the occurrence of any of the following events:

- (e) HJB converts all or any of its shares into a larger or smaller number of shares;
- (f) HJB or a subsidiary of HJB resolves to reduce its share capital in any way;
- (g) HJB or a subsidiary of HJB:

- (i) enters into a buy-back agreement; or
- (ii) resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;
- (h) HJB or a subsidiary of HJB issues shares or grants an option over its shares, or agrees to make such an issue or grant such an option;
- (i) HJB or a subsidiary of HJB issues, or agrees to issue, convertible notes;
- (j) HJB or a subsidiary of HJB disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;
- (k) HJB or a subsidiary of HJB charges, or agrees to charge, the whole, or a substantial part, of its business or property;
- (l) HJB or a subsidiary of HJB resolves to be wound up;
- (m) the appointment of a liquidator or provisional liquidator of HJB or of a subsidiary of HJB;
- (n) a court makes an order for the winding up of HJB or of a subsidiary of HJB;
- (o) an administrator of HJB, or of a subsidiary of HJB, is appointed under section 436A, 436B or 436C of the Corporations Act;
- (p) HJB or a subsidiary of HJB executes a deed of company arrangement; or
- (q) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of HJB or of a subsidiary of HJB;

Rights means all accretions, rights or benefits of whatever kind attaching to or arising from or in respect of the HJB Shares whether directly or indirectly including without limitation all rights to receive dividends (and any attaching franking credit), to subscribe for shares, options or other securities and all other distributions or entitlements declared, paid, made or issued by HJB after the Announcement Date;

Superior Proposal means an unsolicited Competing Proposal that the Directors have determined, in good faith based on written advice from their financial and external legal advisers, to be superior to the Takeover Bid taking into account all aspects of the Competing Proposal (including price, certainty and conditionality) and the person making it; and

Target's Statement means this document.

10.2 Interpretation

In this Target's Statement, unless the contrary intention appears:

- (a) the singular includes the plural and vice versa;
- (b) the word **person** includes an individual, a firm, a body corporate, a partnership, a joint venture, an unincorporated body or association or any government agency;
- (c) Australian dollars, dollars, A\$ or \$ is a reference to the lawful currency of Australia;
- (d) words and expressions defined in the Corporations Act have the same meaning in this Target's Statement;
- (e) any term defined in the Bidder's Statement but not in this Target's Statement has the meaning given to it in the Bidder's Statement;
- (f) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and any consolidations, amendments, re-enactments or replacements of any of them; and
- (g) headings used in this Target's Statement are for ease of reference only and do not affect the meaning or interpretation of this Target's Statement.

DATED the 24th August, 2009

SIGNED for and on behalf of Hamilton James & Bruce Group Limited by Timothy Burton-Taylor who was authorised to sign this document by a resolution passed at a meeting of the Directors held on 24 August 2009