



Dear Shareholder

NON RENOUNCEABLE RIGHTS ISSUE

Hamilton James & Bruce Group Limited (**Company**) is pleased to announce that it has today lodged an Appendix 3B with Australian Stock Exchange Limited in relation to a fully underwritten pro-rata non renounceable rights issue of approximately 67,141,685 ordinary shares (**Offer Shares**).

The issue price for the Offer Shares is \$0.03 each on the basis of 1 Offer Share for every ordinary share held by Shareholders at 5pm on 1 December 2008 (**Record Date**) to raise \$2,014,250 before expenses (**Rights Issue**).

The purpose of the Rights Issue is to strengthen the Company's capital base.

The timetable and important dates of the Rights Issue are set out below:

Announcement of the Rights Issue	20 November 2008
Lodgement of Appendix 3B at ASX	20 November 2008
Application to ASX for quotation of Offer Shares	20 November 2008
Notice to shareholders containing the information in Appendix 3B	21 November 2008
Securities quoted on "ex" basis	24 November 2008
Record Date for determining Entitlements under the Rights Issue	5.00 pm (EST) on 1 December 2008
Despatch of offer document and entitlement and Acceptance forms	5 December 2008
Opening Date for acceptances of Offer Shares	8 December 2008
Closing Date for acceptances of Offer Shares	5.00 pm (EST) on 22 December 2008
Securities quoted on a deferred settlement basis	23 December 2008
Allotment of Offer Shares	2 January 2009
Normal Trading Commences	5 January 2009

The Appendix 3B has been lodged with ASX and is available for inspection on the ASX website at www.asx.com.au and at the Company's registered office.



The Rights Issue is fully underwritten by Victor John Plummer (**Underwriter**) up to a maximum amount of \$2,014,250 (**Underwritten Amount**). The Company will pay the Underwriter a fee of 2% on the Underwritten amount.

On the basis that all Offer Shares offered under the Rights Issue are allotted the share capital of the company will double.

In calculating entitlements under the Rights Issue, fractions will be rounded down to the nearest whole number. The Offer under the Rights Issue is only made to shareholders, on the Record Date, with registered addresses in Australia and New Zealand. The Offer is not being made to any overseas shareholders (other than shareholders with registered addresses in New Zealand).

I would urge you to carefully read the offer document when you receive it and consider participating in the Rights Issue.

Signed for and on behalf of the Issuer:

A handwritten signature in blue ink, which appears to read 'Mohit Prasad', is written over a horizontal line.

Mohit Prasad
Company Secretary
20 November 2008