



Adelaide Brighton Ltd
ABN 15 007 596 018

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157 Grenfell Street
Adelaide SA 5000

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Adelaide SA 5001

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**A renounceable Rights
Issue of 1 New Share
for every 7 Shares
at 75 cents per Share
to raise approximately
\$50.8 million**

Adelaide Brighton Ltd

ABN 15 007 596 018



prospectus

**This is an important
document and should
be read in its entirety
You should consult
your investment adviser
if you are in doubt as
to the course of action
you should take, or
if you require further
explanation of its terms**

Financial Advisers

CALIBURN PARTNERSHIP

ASSOCIATED WITH LAZARD

Underwriters

Macquarie Equity Capital Markets Limited



MACQUARIE

Legal Advisers

JOHNSON WINTER & SLATTERY

BARRISTERS & SOLICITORS

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Important dates	
Announcement of the Offer	29 April 2002
Date of Prospectus	29 April 2002
Shares quoted ex Rights and Rights trading commences	2 May 2002
Record Date to determine entitlements under the Offer	8 May 2002
Dispatch of Prospectus and Application Forms	13 May 2002
Last day of Rights trading	27 May 2002
Last day for acceptance of Application Monies	3 June 2002
Allotment and issue of New Shares and dispatch of shareholding statements for New Shares	18 June 2002
Trading expected to commence for New Shares	19 June 2002

These dates are indicative and Adelaide Brighton reserves the right, subject to the Corporations Act and the Australian Stock Exchange Listing Rules, to amend any of the above dates.



Important information

This Prospectus is dated 29 April 2002 and was lodged with the Australian Securities and Investments Commission (“ASIC”) on that date. ASIC and Australian Stock Exchange Limited (“ASX”) take no responsibility for the content of this Prospectus. The expiry date of this Prospectus is the date 13 months after the date of this Prospectus. No securities will be issued or allotted on the basis of this Prospectus after the expiry date.

The offer of New Shares under this Prospectus does not constitute an offer or invitation to subscribe for New Shares to any person to whom, or in any place in which, it is unlawful to make such an offer.

Certain words and expressions used in this Prospectus are defined in the Glossary in Section 6.

Shareholders should read this document in its entirety and, if in doubt, should consult their professional advisers before deciding whether to accept the offer to subscribe for New Shares pursuant to this Prospectus.

The Offer is renounceable which means that Shareholders who do not wish to take up all or any of their entitlement to New Shares pursuant to the Rights Issue may sell their Rights on ASX or otherwise transfer them. It is important that Shareholders either accept their entitlement to New Shares or deal with their Rights (refer to Section 2 of this Prospectus). Shareholders will receive no benefit in respect of their Rights if they take no action.

Corporate Directory

Directors

MA Kinnaird AO (Chairman)
 CL Harris
 CH Perkins AO
 D Barro AO
 JA Brooks
 GE Clark
 MP Chellew

Company Secretary

M Hoad

Registered Office

Adelaide Brighton Ltd
 Level 1
 157 Grenfell Street
 Adelaide SA 5000

Website

www.adbri.com.au

Financial Advisers

Caliburn Partnership Pty Ltd
 Level 34
 The Chifley Tower
 2 Chifley Square
 Sydney NSW 2000

Underwriter

Macquarie Equity Capital Markets Limited
 Level 15, 1 Martin Place
 Sydney NSW 2000

Legal Advisers

Johnson Winter & Slattery
 Level 10
 211 Victoria Square
 Adelaide SA 5000

Auditors

PricewaterhouseCoopers
 91 King William Street
 Adelaide SA 5000

Share Registry

Computershare Investor Services Pty Limited
 Level 5
 115 Grenfell Street
 Adelaide SA 5000
 Telephone 1800 339 522
 Facsimile (08) 8236 2305
 Email
adelaide.service@computershare.com.au

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29 April 2002

Dear Shareholders

On 29 April 2002, the Directors announced a 1 for 7 renounceable Rights Issue of ordinary shares at 75 cents per share to raise approximately \$50.8 million.

The net proceeds of the Rights Issue will be used to strengthen Adelaide Brighton's balance sheet, reduce gearing and enable Adelaide Brighton to pursue further growth opportunities consistent with our recently announced strategy.

Under the Rights Issue, Shareholders will be entitled to subscribe for 1 new ordinary share for every 7 Shares registered at 5.00pm EST on 8 May 2002.

The Rights Issue has been underwritten by Macquarie Equity Capital Markets Limited.

Our major Shareholders, RMC (through its wholly owned subsidiary Rugby Holdings which has a 54.9% shareholding) and Barro Properties (which has a 10% shareholding), have committed to take up their full entitlement under the Rights Issue.

This Prospectus sets out the details of the Offer. Section 2 outlines the procedure you must follow if you wish to take up or renounce the ordinary shares to which you are entitled. Shareholders may also apply for more shares than their entitlement. The closing date for acceptances and payment is 3 June 2002. Rights trading will commence on 2 May 2002 and end at 27 May 2002.

On behalf of the Directors, I invite you to consider the contents of this Prospectus and to participate in the Rights Issue.

Yours faithfully

A handwritten signature in black ink that reads "Malcolm Kinnaird". The signature is written in a cursive, slightly slanted style.

Malcolm Kinnaird AO
Chairman

1. Details of the Offer

1.1 Offer Details

A total of approximately 67,672,713 New Shares is being offered to Shareholders registered at the Record Date at a price of 75 cents per Share to raise a total of approximately \$50.8 million.

The Offer is renounceable and is made on the following basis:

- (a) Shareholders with a registered address in Australia or New Zealand are entitled to subscribe for 1 New Share for every 7 Shares held as at 5.00 pm (EST) on 8 May 2002 (“**Record Date**”). The number of New Shares to which you are entitled is shown on the accompanying Entitlement and Acceptance Form. Shareholders can also apply for Additional Shares by completing the Additional Shares Form as described in Section 1.2.
- (b) The subscription price of 75 cents for each New Share is payable in full on application.
- (c) Fractional entitlements to New Shares will be rounded up to the nearest whole number.
- (d) The Rights Issue is conditional on ASX agreeing to official quotation of the New Shares (refer to Section 1.6).

1.2 Application for Additional Shares

Subject to sufficient New Shares being available out of any Shortfall from the Rights Issue, Shareholders may apply for Additional Shares by completing the Additional Shares Form.

The maximum number of Additional Shares a Shareholder can apply for is specified in the Additional Shares Form, being two times the number of New Shares to which you are entitled. Where two times a Shareholder’s entitlement would be less than 2,000 Additional Shares the maximum number of Additional Shares a Shareholder can apply for has been increased to 2,000.

No Shareholder is assured of receiving any Additional Shares.

If applications for Additional Shares exceed the Additional Shares available, the amount of Additional Shares available to each applicant will be scaled back, subject to Adelaide Brighton’s discretion, having regard to what is reasonable in the circumstances. It is intended that, in the event of a scale back, priority will be given to Shareholders who, on the Record Date, hold fewer than 3,000 Shares.

No more than a total of 67,672,713 million New Shares and Additional Shares will be issued (subject only to rounding of fractional entitlements).

Additional Shares will not be issued to Shareholders where to do so would be in breach of the Listing Rules or any applicable law (including Listing Rule 10.11 in relation to the issue of equity securities to related parties).

1.3 Ranking of New Shares

New Shares will rank equally with Adelaide Brighton’s ordinary Shares already on issue as at the date the New Shares are allotted.

The New Shares will participate fully in any dividends declared and paid by Adelaide Brighton after the date of their issue.

A summary of the rights attaching to the New Shares being ordinary shares in Adelaide Brighton is set out in Section 4.

1.4 Payment

Entitlement and Acceptance Forms and Additional Shares Forms must be accompanied by full payment of the Application Monies. Payment is to be made by cheque or bank draft in Australian dollars drawn on an Australian branch of an Australian bank. Cheques should be crossed "not negotiable" and made payable to "Adelaide Brighton Ltd". Please do not forward cash. Receipts for payment will not be issued.

Application Monies will be held on trust for applicants until allotment of the New Shares. Interest earned on Application Monies will be for the benefit of Adelaide Brighton and will be retained by Adelaide Brighton whether or not allotment takes place.

Shareholders that apply for Additional Shares which are subsequently not available due to a scale back as described in Section 1.2, will be refunded, without interest, that portion of the Application Monies that was to be used to purchase the unavailable Additional Shares.

1.5 Rights Trading

The Rights are renounceable. This means that you can sell your Rights on ASX, or otherwise transfer them if you do not wish to take up some or all of the New Shares to which you are entitled.

Quotation of the Rights by ASX will commence on 2 May 2002 and will cease on 27 May 2002. You may sell some or all of your Rights on ASX during this period if you decide not to accept your full entitlement to the New Shares.

1.6 Quotation of New Shares

Application to ASX for official quotation of the New Shares will be made within 7 days after the date of this Prospectus. If official quotation of the New Shares is not obtained, all Application Monies will be refunded without interest and the Offer will not proceed.

1.7 Allotment and Dispatch of Shareholding Statements

Allotment of New Shares will only be made once the Application Monies have been received and ASX has granted permission for the New Shares to be given official quotation. It is expected that allotment will take place on 18 June 2002. Issuer Sponsored Statements or CHESS notices (as applicable) will be dispatched soon after that date.

1.8 Position of Major Shareholders

RMC, through its wholly owned subsidiary Rugby Holdings which at the date of this Prospectus owns 260,000,000 Shares representing approximately 54.9% of Adelaide Brighton's issued capital, has committed in writing to take up its full entitlement under the Rights Issue and to not, during the period up to and including the date on which New Shares are allotted, dispose of any of the Shares held by Rugby Holdings as at the date of this Prospectus.

Barro Properties, which at the date of this Prospectus owns 47,405,828 Shares representing approximately 10% of Adelaide Brighton's issued capital, has committed in writing to take up its full entitlement under the Rights Issue and to not, during the period up to and including the date on which New Shares are allotted, dispose of any of the Shares held by Barro Properties as at the date of this Prospectus.

1.9 Underwriting

The Rights Issue has been underwritten by the Macquarie Equity Capital Markets Limited. Details of the underwriting agreement are set out in Section 5.2 of this Prospectus.

1.10 Non-Qualifying Shareholders

The Offer is not being extended to any Shareholders whose registered address is outside Australia or New Zealand ("**Non-Qualifying Foreign Shareholders**").

Adelaide Brighton has appointed a nominee to sell the Rights of Non-Qualifying Foreign Shareholders through sale on ASX if there is a viable market in the Rights and a premium over the expenses of sale can be obtained. Any sale made this way will be at the price and in the manner determined by the Directors in their absolute discretion. The proceeds of the sale will be distributed to the Non-Qualifying Foreign Shareholders for whose benefit the Rights have been sold in proportion to their shareholdings (after deducting the costs of the sale and the distribution of the proceeds).

Neither Adelaide Brighton nor its nominee will be held liable for a failure to sell Rights or to sell Rights at any particular price. Any interest earned on the proceeds of the sale of the Rights will be applied against costs and expenses first but any balance will accrue to Adelaide Brighton.

If there is no viable market for the Rights of the Non-Qualifying Foreign Shareholders, their entitlements will be allowed to lapse and the relevant New Shares will be available for application as Additional Shares and any balance thereafter will revert to the Underwriter.

1.11 Handling Fee

A handling fee of 0.75% (inclusive of GST) will be paid by the Underwriter to Participating Organisations of ASX up to a maximum of \$200 per Shareholder. The handling fee will be paid on Shares allotted under the Rights Issue (including Additional Shares).

1.12 Professional Advice

If you are in any doubt as to whether to accept the Offer, please contact your stockbroker or financial or other professional adviser.

2. Action required by Shareholders

The number of New Shares to which you are entitled is shown on the accompanying yellow Entitlement and Acceptance Form. You may also apply for Additional Shares on the green Additional Shares Form unless the issue of Additional Shares to you would be prohibited by the Listing Rules or applicable law. Please carefully read the instructions on the Entitlement and Acceptance Form and the Additional Shares Form. You may take the following action:

2.1 If You Wish to Take Up All of Your Entitlement

Complete the accompanying yellow Entitlement and Acceptance Form in accordance with the instructions set out in that form. Forward your completed Entitlement and Acceptance Form together with your cheque or bank draft for the amount shown on the Entitlement and Acceptance Form to reach Adelaide Brighton's Share Registry, no later than 5.00pm (CST) on 3 June 2002.

An accompanying reply paid envelope is provided for your convenience. Cheques or bank drafts should be made payable to "Adelaide Brighton Ltd" and crossed "Not Negotiable".

2.2 If You Wish to Sell All of Your Entitlement on ASX

Complete the section on the back of the accompanying yellow Entitlement and Acceptance Form marked "Instructions to Your Stockbroker" and lodge the form with your stockbroker. Trading of Rights will commence on ASX on 2 May 2002. The sale of your Rights must be completed by no later than 27 May 2002, when Rights trading ceases.

2.3 If You Wish to Take Up Part of Your Entitlement and Sell the Balance on ASX

Complete the accompanying yellow Entitlement and Acceptance Form in accordance with the instructions set out in that form for the New Shares that you wish to take up and also complete the section on the back of that form marked "Instructions to Your Stockbroker". Lodge the form with your stockbroker together with your cheque or bank draft for the amount due in respect of the New Shares you wish to take up.

Cheques or bank drafts should be made payable to "Adelaide Brighton Ltd" and crossed "Not Negotiable".

2.4 If You Wish to Take Up Part of Your Entitlement and Allow the Balance to Lapse

Complete the accompanying yellow Entitlement and Acceptance Form in respect of the number of New Shares you wish to take up in accordance with the instructions set out in that form. Forward your completed form together with your cheque or bank draft for the amount due in respect of the number of New Shares that you wish to take up to reach Adelaide Brighton's Share Registry, no later than 5.00pm (CST) on 3 June 2002.

An accompanying reply paid envelope is provided for your convenience. Cheques or bank drafts should be made payable to "Adelaide Brighton Ltd" and crossed "Not Negotiable".

2.5 If You Wish to Transfer All or Part of Your Entitlement to Another Person Other than on ASX

Shareholders holding Shares registered on the issuer sponsored sub-register should forward a completed and stamped standard renunciation form (obtainable from the Share Registry) together with your yellow Entitlement and Acceptance Form and the applicable transferee's cheque or bank draft for any acceptance money to reach Adelaide Brighton's Share Registry no later than 5.00pm (CST) on 3 June 2002.

An accompanying reply paid envelope is provided for your convenience. Cheques or bank drafts should be made payable to "Adelaide Brighton Ltd" and crossed "Not Negotiable".

Shareholders holding Shares registered on CHESS, should contact their sponsoring participant.

2.6 If You Wish to Take Up More than Your Entitlement

Complete the accompanying green Additional Shares Form in accordance with the instructions set out in that form for applying for Additional Shares. Forward your completed Additional Shares Form together with your cheque or bank draft for the amount shown on the Additional Shares Form to reach Adelaide Brighton's Share Registry, no later than 5.00pm (CST) on 3 June 2002.

An accompanying reply paid envelope is provided for your convenience. Cheques or bank drafts should be made payable to "Adelaide Brighton Ltd" and crossed "Not Negotiable".

2.7 Entitlements Not Taken Up

If you decide not to accept all or part of your entitlement to New Shares, the Directors recommend that you deal with your entitlement to the New Shares rather than allow them to lapse. If you do not accept your entitlement and do not deal with your Rights then the New Shares represented by your entitlement will either be taken up by other Shareholders (see Sections 1.2 and 2.6) or, subject to the Underwriting Agreement, be taken up by the Underwriter and you will receive no benefit in relation to those Shares.

2.8 Employee Share Plans

Adelaide Brighton operates the Adelaide Brighton Ltd Employee Share Acquisition Plan, the Adelaide Brighton Executive Performance Share Plan and the Adelaide Brighton Cement Holdings Ltd Employee Share Plan. The New Shares issued pursuant to this Prospectus will be issued in accordance with the rules of each of these plans to the trustee of the plans on behalf of the employees and executives holding shares.

2.9 Enquiries

For further information or assistance in completing your Entitlement and Acceptance Form, or Additional Shares Form please contact:

Adelaide Brighton Shareholders Information Line
Telephone: 1800 339 522

or

Computershare Investor Services Pty Limited
Level 5
115 Grenfell Street
Adelaide SA 5000
Telephone: (08) 8236 2300
Facsimile: (08) 8236 2305
Email: adelaide.service@computershare.com.au

3. Purpose and Effect of the Issue

3.1 Use of Proceeds

The net proceeds of the Rights Issue will be approximately \$49.7 million.

The proceeds will be used to strengthen Adelaide Brighton's statement of financial position, reduce gearing and to better position Adelaide Brighton to take advantage of opportunities for growth and expansion, as they arise, consistent with Adelaide Brighton's recently announced strategy (refer Section 3.4).

In June 2000 Adelaide Brighton entered into an arrangement with RMC, the ultimate holding company of Adelaide Brighton, for the provision of facilities of up to \$350 million. Pursuant to the terms of this arrangement Adelaide Brighton may repay or draw down funds at 10 business days notice. The net proceeds of the Rights Issue will be used to repay outstanding amounts under this facility, but are expected to be available for redraw to take advantage of opportunities for growth and expansion as discussed above.

Adelaide Brighton has not entered into any commitments for the expenditure of the net proceeds of the Rights Issue.

3.2 Effect of the Rights Issue on Adelaide Brighton

Assuming that all of the New Shares offered under this Prospectus are issued, the principal effect of the Rights Issue will be to:

- (a) reduce gearing levels (net debt to total equity) from 56% (following the recent acquisition of Premier Resources) to 40%; and
- (b) increase the number of Shares on issue, as a result of the Rights Issue of approximately 67,672,713 New Shares.

3.3 Impact on Financial Position

Set out below is a proforma consolidated statement of financial position of Adelaide Brighton as at 31 December 2001 adjusted to reflect the Rights Issue and the recent acquisition by Adelaide Brighton of Premier Resources (refer to Section 3.4). Notes describing the assumptions on which the proforma statement of financial position has been prepared are set out below and should be read in conjunction with the statement of financial position.

PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Column 1 ABL Audited 31 Dec 2001 \$000	Column 2 After Premier Resources Acquisition \$000	Column 3 After Capital Raising \$000
CURRENT ASSETS			
Cash	21,562	5,335	5,335
Receivables	55,912	61,803	61,803
Inventories	39,448	41,814	41,814
Other	2,098	2,526	2,526
Total Current Assets	119,020	111,478	111,478
NON-CURRENT ASSETS			
Receivables	11,732	11,732	11,732
Investments (equity accounted)	27,588	27,588	27,588
Other investments	10	10	10
Property, plant & equipment	510,672	556,372	556,372
Deferred tax assets	37,013	37,013	37,013
Intangibles	147,205	147,654	147,654
Total Non-Current Assets	734,220	780,369	780,369
Total Assets	853,240	891,847	891,847
CURRENT LIABILITIES			
Payables	49,914	57,689	57,689
Interest bearing liabilities	-	9,131	9,131
Current tax liabilities	9	9	9
Provisions	43,753	44,245	44,245
Total Current Liabilities	93,676	111,074	111,074
NON-CURRENT LIABILITIES			
Payables	-	-	-
Interest bearing liabilities	228,432	249,641	199,977
Deferred tax liabilities	60,409	60,409	60,409
Provisions	16,577	16,577	16,577
Other	102	102	102
Total Non-Current Liabilities	305,520	326,729	277,065
Total Liabilities	399,196	437,803	388,139
NET ASSETS	454,044	454,044	503,708
SHAREHOLDERS EQUITY			
Share capital	462,367	462,367	512,031
Reserves	30,904	30,904	30,904
Retained profits	(42,201)	(42,201)	(42,201)
Equity attributable to members of the parent entity	451,070	451,070	500,734
Outside equity interests in controlled entities	2,974	2,974	2,974
Total equity	454,044	454,044	503,708

Notes

1. The proforma consolidated statement of financial position shown in column 2 is based on the audited consolidated statement of financial position for Adelaide Brighton as at 31 December 2001, and the unaudited consolidated statement of financial position for Premier Resources as at 15 March 2002 and reflects the acquisition of Premier Resources by Adelaide Brighton as if it occurred at 31 December 2001.
2. Proforma fair value adjustments have been made to the book values of various assets of Premier Resources. These adjustments are preliminary, and may therefore differ in the final consolidated financial statement of Adelaide Brighton as if it occurred at 31 December 2001.
3. The proforma consolidated statement of financial position shown in column 3 reflects column 2 adjusted by the total funds raised of approximately \$50.8 million, less issue costs of approximately \$1.1 million.

3.4 Future Strategy and the Acquisition of Premier Resources

On 18 March 2002, Adelaide Brighton announced the completion of the acquisition of the construction materials company Premier Resources for an initial cash consideration of \$7.0 million, with additional payments to be made to the vendors if certain performance targets are achieved during the period from 15 March 2002 up to and including 31 December 2005. Debt in Premier Resources amounted to approximately \$40 million at the time of the acquisition.

The amount and timing of any additional payments to the vendors are inherently uncertain because the payments are based on Premier Resources achieving earnings targets and other uncertain factors. If additional payments are made, the financial performance by Premier Resources is expected to result in a net positive contribution to Adelaide Brighton's financial position and earnings performance, notwithstanding any such additional payments.

This acquisition is an important first step in implementing a strategy of focussed vertical integration, which is one element of Adelaide Brighton's recently announced strategic plan.

The other elements of the strategic plan are a continued focus on improved operational efficiencies and cost reduction and the development and expansion of Adelaide Brighton's lime operations.

3.5 Description of Premier Resources

Premier Resources operates a cement grinding plant at Port Kembla and operates 15 ready mixed concrete plants in New South Wales and Victoria. Premier Resources has also acquired the right to lease a significant quarry reserve estimated to have a life in excess of 40 years.

The quarry and a further two ready mixed concrete plants to be operated by Premier Resources are in the pre-construction phase. It is anticipated that the quarry will be a significant aggregate supplier to the Sydney region as current reserves of hard rock aggregate in the Sydney region are expected to be exhausted over the next decade.

In acquiring Premier Resources, Adelaide Brighton has retained the management team who will run the business of Premier Resources at the direction of, and supported by Adelaide Brighton.

3.6 Potential Synergies

Adelaide Brighton believes that the acquisition of Premier Resources will, over time, deliver cost savings and an improved operating performance for the combined business.

Cost savings are expected to primarily be achieved by a rationalisation of cement supply arrangements in Victoria and utilising clinker supply arrangements previously established by Premier Resources.

3.7 Future Dividends

The declaration of dividends, if any, by Adelaide Brighton, and the extent to which franking credits are attached to such dividends, will be the subject of a number of factors, including the financial results of Adelaide Brighton, the general business environment, ongoing capital expenditure, future cash requirements, the taxation position of the Adelaide Brighton and any other factors which the Directors may consider relevant.

Subject to these factors, the Directors' policy is that dividends will be declared subject to distributable profits being available.

4. Rights and Liabilities attaching to New Shares

New Shares issued pursuant to this Prospectus will be fully paid ordinary shares in the capital of Adelaide Brighton. The rights and liabilities attaching to Shares are set out in Adelaide Brighton's Constitution and are regulated by the Corporations Act, the general law, the ASX Listing Rules and the SCH Business Rules.

The following is a summary of the principal rights and liabilities attaching to the New Shares.

4.1 Meetings

Each Shareholder is entitled to receive notice of, and to attend, general meetings. Shareholders may appoint a proxy, attorney or (in the case of a Shareholder that is a body corporate) a representative to attend at the meeting and vote on their behalf. Although general meetings will ordinarily be called by the Board, Shareholders may call a general meeting in circumstances provided for by the Corporations Act.

4.2 Voting

Any resolution to be considered at a general meeting will be decided by poll or on a show of hands. Subject to any restrictions in the ASX Listing Rules or the Constitution, every Shareholder present at a general meeting in person or by corporate representative has one vote on a show of hands and, on a poll, every Shareholder present in person, by attorney or by proxy has one vote for every fully paid Share held by him or her.

4.3 Dividends

Dividends are payable out of Adelaide Brighton's profits and are declared by the Directors. Subject to any special rights or restrictions attached to any Shares, dividends declared will be payable to Shareholders in proportion to the amount paid up or deemed so to be on the Shares held by Shareholders respectively.

4.4 Transfer of Shares

Generally, all Shares are freely transferable subject to the procedural requirements of the Constitution and the provisions of the Corporations Act, ASX Listing Rules and the SCH Business Rules except for Shares held under the employee share plans referred to in section 2.8.

4.5 Rights on a Winding Up

If Adelaide Brighton is wound up the assets available for distribution will be distributed in proportion to each Shareholder's contribution to the paid up capital. The liquidator may, with the authority of a special resolution of Shareholders, divide and distribute among paid up Shareholders the whole or any part of Adelaide Brighton's remaining assets in specie or in kind.

4.6 Shareholder Liability

The New Shares offered under this Prospectus will be fully paid and will impose no obligation to pay any further amount by way of call or as a contribution in a winding up. As the New Shares are fully paid up, they will not become liable for forfeiture.

4.7 Alteration of Constitution

The Constitution can only be amended by a special resolution passed by at least 75% of Shareholders present and voting at a general meeting.

4.8 ASX Listing Rules

Despite anything in the Constitution, no act may be done that is prohibited by the ASX Listing Rules, and authority is given for acts required to be done by the ASX Listing Rules. The Constitution will be deemed to comply with the ASX Listing rules as amended from time to time.

4.9 Variation of Rights

Subject to the Corporations Act, Adelaide Brighton may only modify or vary the rights attaching to any class of Shares by resolution passed by at least 75% of the holders of Shares in that class present and voting at a general meeting of members holding at least 75% of the issued Shares of that class, or with the written consent of holders of at least 75% of the issued Shares of that class.

4.10 Issue of Further Shares

Subject to the Constitution, the Corporations Act and the ASX Listing Rules, the Directors may issue or grant options in respect of shares on such terms as they think fit. In particular, the Directors may issue preference shares with preferred or special rights to dividends.

5. Additional information

5.1 Continuous Disclosure Obligations

Adelaide Brighton is a “disclosing entity” for the purposes of Part 1.2A of the Corporations Act. As a disclosing entity, it is subject to regular reporting and disclosure obligations.

Adelaide Brighton must disclose to ASX any information concerning Adelaide Brighton of which it becomes aware and which a reasonable person would expect to have a material effect on the price or the value of Adelaide Brighton’s securities.

Copies of documents lodged with ASIC in relation to Adelaide Brighton may be obtained from, or inspected at, the offices of ASIC.

Adelaide Brighton will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the last day for acceptance of Application Monies:

- (a) Adelaide Brighton’s annual financial report for the year ended 31 December 2001 (being the annual financial report most recently lodged with ASIC by Adelaide Brighton before the issue of this Prospectus); and
- (b) any continuous disclosure notices given by Adelaide Brighton after the lodgement of the annual financial report referred to in paragraph (a) above and before the lodgement of the copy of this Prospectus with ASIC.

All requests for copies of the above documents should be addressed to Adelaide Brighton’s Company Secretary, Adelaide Brighton Ltd, Level 1, 157 Grenfell Street, Adelaide SA 5000. The above information may also be obtained from Adelaide Brighton’s website at www.adbri.com.au.

Since the lodgment of Adelaide Brighton’s annual financial report for the year ended 31 December 2001 and the lodgment of the copy of this Prospectus with ASIC there has been no half-year financial report lodged with ASIC.

Since the lodgement of the annual financial report for the year ended 31 December 2001 and the lodgement of the copy of this Prospectus with ASIC, the following ASX announcements have been lodged in respect of Adelaide Brighton:

Date Lodged	Particulars of Announcement
22 April 2002	Notice for 2002 Annual General Meeting

This is a “reduced content” prospectus prepared in accordance with Section 713 of the Corporations Act and as such, contains details specific to the Offer. If Shareholders require any further information in relation to Adelaide Brighton, the Directors recommend that Shareholders should take advantage of the ability to inspect or obtain copies of disclosures made by Adelaide Brighton as a disclosing entity.

5.2 Underwriting

Adelaide Brighton has entered into an Underwriting Agreement with the Underwriter pursuant to which the Underwriter has agreed to underwrite the Offer.

Adelaide Brighton has agreed to pay the Underwriter an underwriting commission fee of 0.95% of the total funds raised under the Offer.

The Underwriter may terminate the Underwriting Agreement, without cost or liability to itself, by notice in writing to Adelaide Brighton at any time prior to the issue of the New Shares under the Offer (anticipated to be 18 June 2002) after the Underwriter becomes aware of any one or more of the following events:

- (a) **(disclosures)** the Prospectus does not contain information regarding the Offer which is required under the Corporations Act to be contained in the Prospectus including:
 - (i) all such information as investors and their professional advisers would reasonably require for the purpose of making an informed assessment of the effect of the Offer on Adelaide Brighton and the rights and liabilities attaching to the New Shares; and
 - (ii) information about the Offer which has been excluded from a continuous disclosure notice in accordance with the Listing Rules and the information is information that investors and their professional advisers would reasonably require, and reasonably expect to find in the Prospectus, for the purpose of making an informed assessment of the assets, liabilities, financial position and performance, losses and prospects of Adelaide Brighton and the rights and liabilities attaching to the securities being offered;
- (b) **(misleading or deceptive)** a statement contained in the Prospectus is misleading or deceptive, a material matter is omitted from the Prospectus or the issue of the Prospectus is misleading or deceptive;
- (c) **(adverse change)** any one of the following circumstances occurs and Adelaide Brighton fails to lodge a supplementary or replacement prospectus:
 - (i) there is a misleading or deceptive statement in the Prospectus or Application Forms;
 - (ii) there is an omission from the Prospectus or Application Forms of information required by the Corporations Act to be included; or
 - (iii) a new circumstance has arisen after the date the Prospectus is lodged and would have been required by the Corporations Act to be included in the Prospectus or Application Forms if it had arisen before the date the Prospectus is lodged;
- (d) **(compliance with regulatory requirements)** there is a material contravention by Adelaide Brighton of the Corporations Act, its constitution or the Listing Rules including a material failure by Adelaide Brighton to comply with its continuous disclosure obligations under the Corporations Act or the Listing Rules;
- (e) **(director offence)** a director of Adelaide Brighton is charged with an indictable offence;
- (f) **(Offer)** the Prospectus or any aspect of the Offer breaches the Corporations Act or any other applicable law or regulation in any material respect;
- (g) **(listing approvals)** approval is refused or not granted for the official quotation of all of the New Shares on ASX (subject only to customary listing conditions) on or before 5.00 pm (CST) on 3 June 2002, or if granted, the approval is subsequently withdrawn, qualified or withheld;

- (h) **(insolvency)** Adelaide Brighton or a related body corporate is or becomes unable to pay its debts when they are due or is or becomes unable to pay its debts within the meaning of the Corporations Act or is presumed to be insolvent under the Corporations Act;
- (i) **(receiver appointed)** a receiver, trustee or administrator or any similar official is appointed, or steps are taken for such appointment, over any of the assets or undertaking of Adelaide Brighton (or a related body corporate) or a resolution is passed, or an application or order is made, for the winding up or dissolution of Adelaide Brighton (or a related body corporate) otherwise than for the purpose of an amalgamation or reconstruction which has the prior consent of the Underwriter;
- (j) **(alteration to capital structure or constitution)** Adelaide Brighton or a related body corporate alters its capital structure or constitution without the prior written consent of the Underwriter;
- (k) **(ASIC order)** ASIC:
 - (i) issues proceedings in relation to the Offer;
 - (ii) issues an order under section 739 of the Corporations Act in relation to the Offer, which is not dismissed or withdrawn by 3 June 2002; or
 - (iii) makes an application for an order under section 1324B of the Corporations Act in relation to the Prospectus which is not dismissed or withdrawn by 3 June 2002;
- (l) **(consent)** any person who has previously consented to the inclusion of its name in the Prospectus or to be named in the Prospectus withdraws that consent;
- (m) **(notice of deficiency in Prospectus)** any person gives a notice under section 730 of the Corporations Act in relation to the Prospectus and Adelaide Brighton fails to lodge a supplementary prospectus in accordance with the Underwriting Agreement;
- (n) **(withdrawal)** Adelaide Brighton withdraws the Prospectus or the Offer;
- (o) **(majority shareholders)** either Rugby Holdings or Barro Properties disposes of any interest in any Shares held by them as at 29 April 2002 or do not, on or before 3 June 2002 apply for all of the New Shares to which each of them is entitled under the Offer;
- (p) **(compliance with agreement)** there is a material default by Adelaide Brighton in the performance of any of its obligations under the Underwriting Agreement;
- (q) **(hostilities)** hostilities not presently existing commence or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of Australia, New Zealand, the United States of America, the United Kingdom, the European Union, Japan, Russia, Indonesia or the People's Republic of China;
- (r) **(change in law)** there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any State of Australia a new law, or the Reserve Bank of Australia, or any Commonwealth or State authority, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced before the 29 April 2002) any of which does or is likely to prohibit or regulate the Offer, capital issues or stock markets;
- (s) **(information)** information supplied by or on behalf of Adelaide Brighton or its professional advisers to the Underwriter in relation to Adelaide Brighton, the Prospectus and the Offer is false or misleading or is misleading or deceptive;
- (t) **(adverse change)** any material adverse change in the assets, liabilities, financial position and performance, profits, losses or prospects of Adelaide Brighton, including any adverse change in the assets, liabilities, financial position, profits, losses or prospects of Adelaide Brighton or any of its related bodies corporate from those

respectively disclosed in the Prospectus or any other public announcement in relation to the affairs of Adelaide Brighton or the Offer;

- (u) **(prescribed occurrences)** any event set out in section 652C of the Corporations Act occurs in relation to Adelaide Brighton or a related body corporate;
- (v) **(trading of securities)** trading in any securities of Adelaide Brighton is suspended by ASX or any securities of Adelaide Brighton quoted on ASX cease to be so quoted;
- (w) **(ASIC proceedings)** ASIC threatens to issue proceedings in relation to the Offer;
- (x) **(warranty)** a warranty contained in the Underwriting Agreement on the part of Adelaide Brighton is not true or correct.

In the case of the happening of an event referred to in paragraphs (q),(r),(s),(t),(u), (v), (w) or (x) the Underwriter may not terminate unless it has reasonable and bona fide grounds to believe and does believe that the event has or is likely to have a materially adverse effect on the outcome of the Offer, or could give rise to a liability of the Underwriter under any law or regulation.

The other key terms of the Underwriting Agreement are:

- Indemnity

Adelaide Brighton has indemnified the Underwriter and its officers, employees, advisers and related bodies corporate ("**Indemnified Parties**") in relation to any loss they incur as a result of the Offer, this Prospectus any other public announcement in relation the Prospectus or the Offer, a breach by Adelaide Brighton of the Underwriting Agreement or any of the representations and warranties by Adelaide Brighton contained in the Underwriting Agreement not being true and correct.

- Sub-Underwriting

The Underwriter may at any time appoint sub-underwriters to sub-underwrite some or all of the underwritten shares and nominate the persons to which all or any of the underwritten shares are to be issued.

- Warranties, Representations and Undertakings

Adelaide Brighton has given the Underwriter warranties and representations in relation to Adelaide Brighton, the Prospectus and compliance with regulatory requirements.

5.3 Pre-Commitment Agreements

RMC (through its wholly owned subsidiary Rugby Holdings) and Barro Properties have each separately committed to take up their full entitlement to the New Shares and to not, during the period up to and including the date on which New Shares are allotted, dispose of any shares held by them as at the date of this Prospectus.

Rugby Holdings and Barro Properties will not be obliged to take up their entitlement to the New Shares if either the Underwriter terminates the Underwriting Agreement or the Rights Issue has not been completed for any reason by 31 July 2002.

At the date of this Prospectus Rugby Holdings owns 260,000,000 Shares representing 54.9% of Adelaide Brighton's issued capital and Barro Properties owns 47,405,828 Shares representing 10% of Adelaide Brighton's issued capital.

Shareholders should be aware that the Underwriter may terminate the Underwriting Agreement if Rugby Holdings or Barro Properties do not take up their full entitlement to the New Shares (refer to Section 5.2) or otherwise disposes of any interest it holds in Adelaide Brighton.

5.4 Interests of Directors

Other than as set out below or elsewhere in this Prospectus, no Director has, or has had within 2 years before lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of Adelaide Brighton;
- (b) any property acquired or proposed to be acquired by Adelaide Brighton in connection with its promotion or formation or in connection with the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any Director:

- (d) to induce him to become, or to qualify him as, a Director of Adelaide Brighton; or
- (e) for services rendered by him in connection with the formation or promotion of Adelaide Brighton or the Offer.

Under the Constitution, each Director is required to hold (either directly or indirectly) at least 1,000 Shares. At the date of this Prospectus, the Directors of Adelaide Brighton have interests either directly or indirectly, in the following securities of Adelaide Brighton:

Name	Shares
MA Kinnaird AO	65,000
CL Harris	96,250
CH Perkins AO	29,600
D Barro AO ⁽¹⁾	245,590
JA Brooks ⁽²⁾	1,000
GE Clark ⁽³⁾	1,000
MP Chellew	15,000

Notes

⁽¹⁾ D Barro AO is a director of Barro Properties which holds 47,405,828 Shares in Adelaide Brighton.

⁽²⁾ JA Brooks is a director of Rugby Holdings which holds 260,000,000 Shares in Adelaide Brighton.

⁽³⁾ GE Clark is a director of RMC, the ultimate holding company of Rugby Holdings. Rugby Holdings holds 260,000,000 Shares in Adelaide Brighton.

The Directors are entitled to payment of fees, remuneration and expenses as set out in the Constitution. The Constitution provides, among other things, that the non-executive Directors shall be paid a total sum of \$200,000 or such fees as may from time to time be determined by Adelaide Brighton in general meeting. At present, that aggregate maximum sum is \$325,000. Subject to Shareholder approval at Adelaide Brighton's Annual General Meeting to be held on 29 May 2002, this amount will increase to \$400,000.

The Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or in connection with the performance of their duties as Directors. Subject to the Corporations Act and ASX Listing Rules, if a Director is called upon to perform extra duties or make special exertions on behalf of Adelaide Brighton, the Directors may remunerate that Director which may either be in addition to or in substitution for his usual Director's fees.

Mark Chellew, as managing director of Adelaide Brighton, also receives a salary and other benefits as an employee of Adelaide Brighton. The salary and other benefits that Mr Chellew receives are on commercial terms commensurate with the salary packages available to executive officers of public companies of a similar size and industry grouping to Adelaide Brighton.

Under Adelaide Brighton's Executive Performance Share Plan, Mark Chellew may be entitled to receive additional Shares on a performance-based incentive payment. Subject to Shareholder approval at Adelaide Brighton's Annual General Meeting to be held on 29 May 2002, the maximum amount to which he may be entitled under the plan is a total of not more than 750,000 Shares over a period of three years.

5.5 Interests of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, the Underwriter and all other persons named in this Prospectus as having performed services in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus do not have and have not had within 2 years before lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of Adelaide Brighton;
- (b) any property acquired or proposed to be acquired by Adelaide Brighton in connection with its promotion or formation or in connection with the Offer; or
- (c) the Offer.

The Underwriter to the Offer will receive fees as set out in Section 5.2 of this Prospectus.

Johnson Winter & Slattery has acted as legal adviser to Adelaide Brighton in relation to the Offer. Johnson Winter & Slattery's fees for this work up to the date of lodgment of this Prospectus will be approximately \$55,000 (plus any applicable GST). Johnson Winter & Slattery will receive further fees for additional work done determined on the basis of hours spent at its ordinary hourly rates.

Caliburn Partnership Pty Ltd has acted as financial adviser to Adelaide Brighton in relation to the Offer. It is estimated that Caliburn Partnership Pty Ltd's total advisory and management fees for work undertaken in relation to the Offer will be approximately \$375,000 (plus any applicable GST).

PricewaterhouseCoopers has acted as auditor. PricewaterhouseCoopers Securities Limited has provided accounting services to Adelaide Brighton in relation to the Offer. PricewaterhouseCoopers Securities Limited's fees for this work up to the date of lodgment of this Prospectus will be approximately \$25,000 (plus any applicable GST). PricewaterhouseCoopers Securities Limited will receive further fees for additional work done determined on the basis of hours spent at its ordinary hourly rates.

5.6 Taxation

The following comments concerning the taxation implications arising to Shareholders registered at the Record Date are general in nature and deal only with the position of Australian residents. In particular, these comments do not address all tax considerations applicable to Shareholders that may be subject to special tax rules, such as banks, insurance companies and taxpayers that carry on a business of trading in Shares.

These comments are based on the law in Australia in force at the time of issue of this Prospectus. The precise implications will depend upon each Shareholder's specific circumstances. If you have any doubts regarding possible taxation consequences about accepting your entitlement or dealing with your Rights, you should contact your taxation adviser. Neither Adelaide Brighton nor any of its officers accept any liability or responsibility in respect of any statement concerning taxation consequences, or in respect of the taxation consequences themselves.

Current Australian income tax legislation incorporates a capital gains tax regime.

A capital gain is included in the assessable income of the taxpayer, and the taxpayer may be subject to income tax on the capital gain. You may make a capital gain if the capital proceeds from disposal of shares are more than the cost base of the shares. Ordinarily the cost base of shares you acquire is the total of the amount you paid for the shares plus your acquisition and disposal costs. If the capital proceeds from disposal of shares are less than their reduced cost base you make a capital loss.

(a) Taking Up your Rights Entitlements

Under current Australian income tax legislation, the exercise of Rights issued to you to acquire New Shares is not subject to capital gains tax.

(b) Selling your Rights Entitlements

If you sell Rights issued to you in respect of shares in Adelaide Brighton you acquired after 19 September 1985, a capital gain may arise. The capital gain would be the capital proceeds received for the disposal of the Rights.

The capital gain arising to an individual or a trust (other than a trust that is a complying superannuation entity) may be reduced by 50%, but only if the Rights were issued in respect of shares held by the individual or trust for more than 12 months. For a complying superannuation entity, such a capital gain may only be reduced by 33 $\frac{1}{3}$ %.

If you sell Rights issued to you in respect of Shares in Adelaide Brighton you acquired before 20 September 1985, no capital gain arises.

(c) Disposal of New Shares

If the Rights are exercised, and the New Shares you acquired as a result of the exercise of the Rights are disposed of, a capital gain may arise if the capital proceeds received for the disposal of the New Shares exceeds the cost base of the New Shares.

The capital gain arising to an individual or a trust (other than a trust that is a complying superannuation entity) may be reduced by 50%, but only if the New Shares are disposed of more than 12 months after their acquisition. For a complying superannuation entity, such a capital gain may only be reduced by 33 $\frac{1}{3}$ %.

New Shares you acquired as a result of the exercise of your Rights will be treated for capital gains tax purposes as having been acquired on the day you exercised the Rights. Your capital gains tax cost base for the New Shares will include the amount you paid to exercise the Rights. If the Rights were issued to you in respect of shares in Adelaide Brighton you acquired before 20 September 1985, the cost base of the New Shares you acquired as a result of the exercise of your Rights will also include the market value of the Rights on the day you exercised your Rights.

5.7 Risks

The Directors are unable to predict the future prospects of Adelaide Brighton with certainty. The following summary, which is not exhaustive, represents some of the material factors which the Directors believe may affect the performance of Adelaide Brighton and the value of its Shares:

- (a) The funds raised by this Prospectus will be utilised by Adelaide Brighton to strengthen Adelaide Brighton's balance sheet, reduce gearing and to better position Adelaide Brighton to take advantage of opportunities for growth and expansion, as they arise, consistent with Adelaide Brighton's recently announced strategy (see Section 3.1). The eventual return on these funds is dependent upon the success of the existing activities of Adelaide Brighton and/or the success from projects subsequently acquired by Adelaide Brighton or by the sale of its assets.
- (b) Financial success, including the payment of any future dividend, depends upon the successful operation of Adelaide Brighton's activities.
- (c) Changing economic events and factors which are beyond the control of Adelaide Brighton, such as inflation, changes in taxation and other laws, currency fluctuations, interest rate movements, commodity prices, industrial action and vagaries of the stock markets may affect the value of Adelaide Brighton's assets and securities. Specifically, the level of activity in the building and construction industries will have a large impact on the level of demand for Adelaide Brighton products.
- (d) The market price of Adelaide Brighton's securities and Adelaide Brighton's ability to raise ongoing finance may be subject to varied and unpredictable influences.
- (e) The Offer is underwritten by the Underwriter. Investors should be aware of the terms of the Underwriting Agreement discussed in Section 5.2, which includes certain termination events that may not be in the control of Adelaide Brighton.
- (f) Prior to the acquisition of Premier Resources in March 2002 Adelaide Brighton did not have a presence in the ready mixed concrete sector. The acquisition of Premier Resources exposes Adelaide Brighton to additional factors specifically affecting the concrete sector and which Adelaide Brighton were not previously exposed to. Premier Resources has a limited trading history and investors will need to view any prospects regarding Premier Resources in this light.
- (g) Competition in the cement and concrete markets from existing participants and new market entrants poses a risk to Adelaide Brighton's market share and may put downward pressure on prices.
- (h) The ability of Adelaide Brighton to maintain existing supply and customer contracts and to secure new contracts is fundamental to the continued success of Adelaide Brighton. Investors should be aware that there is a risk that Adelaide Brighton will not be able to maintain and secure supply and customer contracts as desired by management which could impact on the future revenue.
- (i) Shellsand dredged from the sea at Owen Anchorage near Munster, south of Perth, is the major raw material in the production of lime by Cockburn Cement Limited. Cockburn Cement Limited now proposes to dredge shellsand in the long term from additional specific locations in Owen Anchorage. The Department of Environment Protection is required to give approval to the long term dredging of shellsand by Cockburn Cement Limited at these sites. Shareholders should be aware that there is a risk that approval will not be given or that approval will be given subject to additional conditions.

Neither Adelaide Brighton nor the Directors warrant the future performance of Adelaide Brighton or any investment made pursuant to this Prospectus.

5.8 Application of Additional Shares

For the purpose of Listing Rule 7.1 exception 3 the Directors reserve the right to issue any shortfall arising under the Rights Issue at their discretion. In particular the Directors reserve the right to issue Additional Shares if there is a shortfall in applications for New Shares under the Rights Issue.

5.9 Expenses of the Offer

The total estimated expenses of the Offer to be borne by Adelaide Brighton, including underwriting fees, legal fees, registration fees, fees for other advisers, Prospectus design, printing and advertising expenses and other miscellaneous expenses are expected to be approximately \$1.1 million (inclusive of GST).

5.10 Consents to being named in this Prospectus

Macquarie Equity Capital Markets Limited has given, and at the time of lodging this prospectus, has not withdrawn its consent to be named as Underwriter in the form and context in which it is named. Macquarie Equity Capital Markets Limited does not make, or purport to make, any statement in this Prospectus or any statement on which a statement in this Prospectus is based, other than the specific statement on its part contained in this paragraph. To the maximum extent permitted by law, Macquarie Equity Capital Markets Limited expressly disclaims and takes no responsibility for any part of this Prospectus, other than the specific statement on its part contained in this paragraph.

PricewaterhouseCoopers has given, and at the time of lodging this prospectus, has not withdrawn its consent to be named as auditors to Adelaide Brighton in the form and context in which it is named. PricewaterhouseCoopers takes no responsibility for any other part of this Prospectus, other than the references to its name.

PricewaterhouseCoopers Securities Limited has given, and at the time of lodging this prospectus, has not withdrawn its consent to be named as accounting advisers to Adelaide Brighton in the form and context in which it is named. PricewaterhouseCoopers Securities Limited takes no responsibility for any other part of this Prospectus, other than the references to its name.

Johnson Winter & Slattery has given, and at the time of lodging this prospectus, has not withdrawn its consent to be named as legal advisers to Adelaide Brighton in the form and context in which it is named. Johnson Winter & Slattery takes no responsibility for any part of this Prospectus, other than references to its name.

Caliburn Partnership Pty Ltd has given, and at the time of lodging this prospectus, has not withdrawn its consent to be named as financial advisers to Adelaide Brighton in the form and context in which it is named. Caliburn Partnership Pty Ltd takes no responsibility for any part of this Prospectus, other than references to its name.

Computershare Investor Services Pty Limited has given, and at the time of lodging this prospectus, has not withdrawn its consent to be named as Share Registry for Adelaide Brighton in the form and context in which it is named. Computershare Investor Services Pty Limited takes no responsibility for any part of this Prospectus other than references to its name.

5.11 Directors' Consents

Each Director has consented to the lodgment of this Prospectus with ASIC and has not withdrawn that consent prior to lodgment of this Prospectus.

Signed in accordance with section 351 of the Corporations Act.

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

Mark Chellew
Managing Director

29 April 2002

Glossary

Additional Shares means, subject to any Shortfall from the Rights Issue, the number of New Shares to which Shareholders may apply to subscribe for in addition to their entitlement to subscribe for 1 New Share for every 7 Shares held on the Record Date.

Additional Shares Form means the green additional shares form accompanying this Prospectus.

Adelaide Brighton means Adelaide Brighton Ltd ACN 007 596 018.

Application Forms means the Entitlement and Acceptance Form and the Additional Shares Form.

Application Monies means the monies received from persons applying for New Shares pursuant to the terms of the Offer.

ASIC means the Australian Securities and Investments Commission.

ASX means Australian Stock Exchange Limited ACN 008 624 691.

Barro Properties means Barro Properties Pty Limited ACN 006 425 369.

Closing Date means 3 June 2002, unless that date is extended.

Constitution means Adelaide Brighton's Constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the directors of Adelaide Brighton.

Dollar or **\$** means Australian dollars.

Entitlement and Acceptance Form means the yellow entitlement and acceptance form accompanying this Prospectus.

Listing Rules or **ASX Listing Rules** means the Official Listing Rules of ASX.

New Share means a Share offered for subscription on the basis and under the terms of the Offer.

Non-Qualifying Foreign Shareholders means Shareholders whose registered address is outside of Australia and New Zealand.

Offer means the offer of New Shares pursuant to this Prospectus.

Participating Organisation means a company or partnership that is recognised as and remains recognised as a Participating Organisation under the ASX Business Rules.

Premier Resources means Premier Resources Limited ACN 082 015 450.

Prospectus means this prospectus dated 29 April 2002.

Record Date means the date for determining entitlements under the Rights Issue and is expected to be 5pm (EST) on 8 May 2002.

Right means the right to subscribe for 1 New Share for every 7 Shares held on the Record Date and **Rights** as a corresponding meaning.

Rights Issue means the offer of approximately 67,672,713 ordinary shares at a price of 75 cents per Share to each Shareholder on a renounceable basis in the proportion of 1 New Share for every 7 Shares held on the Record Date under this Prospectus.

RMC means RMC Group p.l.c.

Rugby Holdings means Rugby Holdings Limited ACN 008 702 690, the Australian registered subsidiary of RMC.

Share means a fully paid ordinary share in Adelaide Brighton.

Shareholder means a registered holder of Shares in Adelaide Brighton.

Shortfall means the number of New Shares for which valid applications have not been received by 5:00pm on the Closing Date.

Underwriter means Macquarie Equity Capital Markets Limited, the underwriter of the Rights Issue, the key terms of whose appointment are set out in Section 5.2 of this Prospectus.

Underwriting Agreement means the agreement made between the Underwriter and Adelaide Brighton as described in Section 5.2 of this Prospectus.

Underwriting Obligations means the obligations of the Underwriter under the Underwriting Agreement.

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