

*Level 1
157 Grenfell Street
Adelaide SA 5000*

*GPO Box 2155
Adelaide SA 5001*



*Adelaide Brighton Ltd
ACN 007 596 018*

*Telephone (08) 8223 8000
International +618 8223 8000
Facsimile (08) 8215 0030
www.adbri.com.au*

25 August 2008

Company Announcement Office
Australian Securities Exchange Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

We attach the following documents concerning the Company's Dividend Reinvestment Plan for release to the market. These documents were dispatched to shareholders on Friday 22 August 2008.

- Chairman's letter to shareholders
- Application form for participation in the Dividend Reinvestment Plan
- Dividend Reinvestment Plan – Features of the Plan (summary and questions and answers)

Also attached for release to the market is the Dividend Reinvestment Plan Terms and Conditions. The Terms and Conditions can be downloaded at www.computershare.com.au, or shareholders may request a free copy of the Terms and Conditions by contacting Adelaide Brighton's share registry, Computershare Investor Services Pty Ltd, the contact details of which are listed in the Features of Plan document.

Yours faithfully

Marcus Clayton
Company Secretary

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21 August 2008

Dear Shareholder

The Board of Adelaide Brighton Ltd is pleased to inform shareholders of the implementation of a Dividend Reinvestment Plan ("DRP") which will first apply in relation to the Company's 2008 interim dividend, payable on 21 October 2008.

Enclosed is a summary of the Plan and a DRP Application Form.

Shareholders will find this a convenient and cost effective way to increase their shareholding in Adelaide Brighton Ltd by reinvesting all or part of your dividends in additional fully paid ordinary shares in the Company.

At the time of declaring each dividend, the Board will determine the discount which will apply to the Adelaide Brighton Ltd shares to be allocated to you under the Plan if you elect to participate. The reinvestment discount applicable to the 2008 interim dividend declared by the Board is 2.5%.

The decision to reinstate a DRP program is a prudent decision by the Board and complements the Company's capital management strategy in the current tight credit finance market.

Participation in the Plan is entirely voluntary and you may join and leave the Plan whenever you wish. However, if you elect to join or leave after the Record Date for a particular dividend, your decision will only be effective for following dividends. To participate in the DRP for the 2008 interim dividend, your Application Form must be returned so that our share registry receives it by 10 September 2008.

Alternatively, you can elect to participate or vary your election details online at www.computershare.com.au - click on Investor Centre/Reinvestment Plans and follow the prompts. The full Terms and Conditions of the DRP are also available to be viewed and downloaded at this site or you may request a free copy by contacting Adelaide Brighton's share registry, Computershare Investor Services Pty Limited, the contact details of which are listed in the attached summary document.

All shareholders with registered addresses in Australia and New Zealand are eligible to participate in the Plan. Shareholders with registered addresses in other jurisdictions, including the United States of America are not, at this time, able to participate.

Shareholders considering participating in the DRP are encouraged to seek their own independent professional advice and to read the full Terms and Conditions of the DRP.

Shareholders who participated in the Company's previous DRP should note that given the significant time since the suspension of the previous DRP, any instruction given to the Company in relation to your participation in the previous Plan will not continue to apply. You must complete and sign a new Application Form to participate in the Plan.

If you do not wish to participate in the DRP, you do not need to do anything. You will continue to receive dividend payments from Adelaide Brighton Ltd by cheque or direct credit.

Yours sincerely

Malcolm Kinnaird AO
Chairman



Adelaide Brighton Ltd

Adelaide Brighton Ltd

ABN 15 007 596 018



All correspondence to:

Computershare Investment Services Pty Limited
GPO Box 2975 Melbourne
Victoria 3001 Australia
Enquiries (within Australia) 1800 339 522
(outside Australia) 61 3 9415 4031
Facsimile 61 8 8236 2305
web.queries@computershare.com.au
www.computershare.com

000002 000 ABCRM
MR JOHN SMITH 1
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Securityholder Reference Number (SRN)



IND

Dividend Reinvestment Plan

Use a black pen.
Print in CAPITAL letters
inside the grey areas.

A B C

1 2 3

Where a choice is required,
mark the box with an 'X'

X

A Dividend Reinvestment Plan (DRP)

X

ALL Please mark this box with an 'X' if you wish all of your holding to participate in the company's DRP.

X

PART

Grid for entering number of securities

Show the number of securities you wish to participate in the company's DRP.

B Sign Here - This section must be signed for your instructions to be executed.

I/We authorise you to act in accordance with my/our instructions set out above. I/We acknowledge that these instructions supersede and have priority over all previous instructions in respect to my/our securities. Where I/we have indicated participation in the Dividend Reinvestment Plan, I/we hereby agree to be bound by the Terms and Conditions of the Dividend Reinvestment Plan.

Individual or Securityholder 1

Signature box for Individual or Securityholder 1

Director

Securityholder 2

Signature box for Securityholder 2

Director/Company Secretary

Securityholder 3

Signature box for Securityholder 3

Sole Director and Sole Company Secretary

Date - Day Month Year

Date entry grid

Note: When signed under Power of Attorney, the attorney states that they have not received a notice of revocation. Computershare Investor Services Pty Limited needs to sight a certified copy of the Power of Attorney.



DI001

How to complete this form

A Dividend Reinvestment Plan (DRP)

Complete this section if you wish to have your cash dividends reinvested in the form of more company securities.

If you wish to reinvest all of your securities in the company's DRP, please cross the box marked ALL.

If you wish to reinvest part of your securities in the company's DRP, please show the number of securities that you wish to participate.

Please note that an election to participate fully in the Dividend Reinvestment Plan will override any instruction on the registry record regarding direct payment of cash dividends into a nominated account.

This instruction only applies to the specific holding identified by the SRN/HIN and the name appearing on the front of this form.

B Signature(s)

If you have chosen to have your cash dividends fully or partially reinvested into company securities and you have completed Section A, you must sign this form as follows in the spaces provided:-

Joint Holding: where the holding is in more than one name, all of the securityholders must sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the Company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

D1001

ABC

Please return the completed form to:

Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne VIC 3001
Australia





Adelaide Brighton Ltd

Dividend Reinvestment Plan ("Plan")

Summary of the Plan

THE PLAN

The Adelaide Brighton Ltd Dividend Reinvestment Plan is an optional and convenient way of increasing your holding in Adelaide Brighton shares by reinvesting all or part of your dividend in additional shares.

NO FEES

You do not pay brokerage or other transaction costs on shares issued under the Plan.

PARTICIPATION IS OPTIONAL

You may participate in the Plan for all or part of your shareholding, vary your participation or withdraw from the Plan at any time.

SHARES RANK EQUALLY

Shares issued under the Plan are fully paid and rank equally with existing shares in Adelaide Brighton.

STATEMENT

You will receive a dividend statement giving details of any new shares issued under the Plan shortly after the payment of dividends.

DISCOUNT ON MARKET PRICE

Shares are allotted under the Plan at a discount of between 0% and 5% of the market price of Adelaide Brighton Ltd's shares sold on the ASX Limited during the pricing period. The actual rate of discount will be determined by the Directors at the time the dividend is declared.

Questions and answers

WHAT IS THE DIVIDEND REINVESTMENT PLAN (PLAN)?

The Adelaide Brighton Ltd Dividend Reinvestment Plan is an optional and convenient way that enables you, as a shareholder in Adelaide Brighton Ltd to reinvest all or part of any dividend paid on your shares in additional Adelaide Brighton Ltd shares instead of receiving that dividend in cash.

AM I ELIGIBLE TO PARTICIPATE?

All shareholders with registered addresses in Australia are eligible to participate in the Plan. In respect of the 2008 interim dividend, the Board has determined that shareholders with registered addresses in New Zealand are also eligible to participate in the Plan.

Shareholders with registered addresses in other jurisdictions, including the United States of America are not, at this time, able to participate because of the cost or difficulty of satisfying regulatory requirements in those jurisdictions.

IS PARTICIPATION OPTIONAL?

Yes. Participation in the Plan is entirely optional.

HOW DO I JOIN THE PLAN?

To join the Plan you should complete the attached Application Form and return it to the Company's share registry at the following address:

The Share Registrar
Adelaide Brighton Ltd
C/- Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne VIC 3001

Alternatively you can elect to participate or vary your election details online at:

www.computershare.com.au - click on Investor Centre/Reinvestment Plans and follow the prompts.

WHEN WILL MY PARTICIPATION START?

Your participation in the Plan will commence with the first dividend payment after receipt of the Application Form provided that it is received on or before the "record date" for that dividend. If your form is received after the record date for that dividend, it will not be effective until the next dividend, unless the Directors determine otherwise.

IF I PARTICIPATE, DO ALL MY SHARES PARTICIPATE IN THE PLAN?

There are two types of participation:

- (i) **Full Participation.** Full participation is where the dividend on all shares held by you on the "record date" for the relevant dividend is reinvested in new shares. Dividends on any shares you may acquire in the future will also be reinvested in this way.
- (ii) **Partial Participation.** Partial participation is where the dividend on a nominated number of shares, being part only of your holding of Adelaide Brighton Ltd shares, is reinvested in new shares. Under this option, you will receive cash dividends on the shares not participating in the Plan.

If you buy more shares, those shares will **NOT** participate in the Plan unless you lodge an Application Form specifically in relation to those shares.

If you hold less shares than the number of shares you have specified in the Application Form, then the Dividends on the shares that you actually hold will be reinvested.

WHAT IF I HAVE MORE THAN ONE ADELAIDE BRIGHTON LTD SHAREHOLDING?

If you have more than one shareholding in Adelaide Brighton Ltd, you must lodge an Application Form for each shareholding that is to participate in the Plan.

CAN I CHANGE MY PARTICIPATION?

Yes. You may vary your level of participation or withdraw from the Plan at any time by completing a Notice of Variation, which can be obtained from the Company's share registry, Computershare Investor Services Pty Ltd.

WHAT TYPE OF SHARES WILL I GET UNDER THE PLAN?

You will be allocated fully paid ordinary shares in Adelaide Brighton Ltd which will rank equally in all respects with existing shares.

AT WHAT PRICE WILL THE SHARES BE ISSUED?

Shares will be allocated under the Plan at a discount from the average of the daily volume weighted average price (as defined in the Terms and Conditions) for all Adelaide Brighton Ltd shares sold during the pricing period which commences on the trade day immediately following the “record date” for determination of the relevant dividend.

The number of shares to be allocated to you under the Plan will be determined by dividing the amount in the participant’s DRP account by the DRP Price and rounding that number to the nearest whole number noting that a fractional entitlement to 0.5 or more of a share will be rounded up and an entitlement to less than 0.5 of a share will be rounded down.

The Board may vary the amount of the discount in its absolute discretion.

WHAT DOES IT COST TO PARTICIPATE?

Nothing. You will not be charged brokerage or other transaction costs on shares allocated under the Plan.

CAN I SELL MY SHARES ISSUED UNDER THE PLAN?

Yes, at any time.

WHAT IF I SELL A PORTION OF MY SHARES?

If you sell some of your shares then, unless you advise Adelaide Brighton to the contrary, the shares sold will be taken to reduce firstly, your non-participating shares and secondly, your participating shares.

CAN THE PLAN BE CHANGED OR CANCELLED?

Yes. Adelaide Brighton may at any time vary, suspend or terminate the Plan. You will be given notice of this.

WHAT ARE THE TAXATION IMPLICATIONS OF PARTICIPATING?

The application of the taxation laws may differ markedly between shareholders depending on their own circumstances. For this reason **the Company does not and cannot provide taxation advice to shareholders and takes no responsibility for the interpretation or application of this general information.** If shareholders are in doubt as to the taxation implications they should seek their own taxation advice before deciding on participation in the Plan.

The following notes are for the general information of shareholders and are not intended to be used by shareholders as advice of the taxation consequences of participating in the Plan.

The following information applies only to Australian resident shareholders. Shareholders resident in other participating countries should seek their own tax advice in relation to the implications of participating in the Plan.

Income Tax

- Dividends that are reinvested under the Plan will be assessable for income tax of the shareholder and will carry franking credits to the same extent as any cash dividend.
- Shareholders who are entitled to franking credits will be entitled to a tax offset for the amount of the dividend that is “franked”. Generally, to qualify for franking credits on the dividend, the 45-day rule requires that the shareholder must hold the shares “at risk” for a period of at least 45 days within a period beginning on the day after those shares were acquired.

Taxation on Capital Gains

- Shares allocated under the Plan will have a cost base for capital gains tax purposes equal to the amount of the dividend applied in purchasing the shares.
- Upon sale of the shares, a participant may be subject to capital gains tax on any difference between the price received for the shares and the cost base for those shares. Shares held for more than 12 months may qualify for concessional capital gains tax treatment for certain shareholders.

Tax File Numbers (TFN)

- Shareholders who have already quoted their TFNs or exemption to the Company Registry are not required to provide file numbers in respect of the additional Plan shares.
- Shareholders who have not quoted a TFN or exemption may have tax withheld from any unfranked dividends paid.

I HAVE BEEN A SHAREHOLDER SINCE BEFORE 1996 AND RECALL THE COMPANY PREVIOUSLY HAD A DIVIDEND REINVESTMENT PLAN IN PLACE. HOW IS MY PREVIOUS ELECTION AFFECTED BY THE RECOMMENCEMENT OF THE PLAN?

Given the lapse of time since the suspension of the previous Plan, the Board has determined that if you elected to participate in the Plan prior to suspension in 1996, your previous election will not continue to apply. You must complete and sign a new Application Form to participate in the Plan.

WHAT IF I HAVE ANY ENQUIRIES?

If you have any further questions (other than taxation) about how the Plan operates and how you can participate, please contact:

Adelaide Brighton Ltd Share Registry
C/- Computershare Investor Services Pty Ltd
Within Australia 1800 339 522
Outside of Australia 61 3 9415 4031
Facsimile 61 8 8236 2305
Email: web.queries@computershare.com.au

The content of this booklet does not constitute financial product advice provided by Adelaide Brighton Ltd. If you are considering participating in the Plan, you should obtain independent advice before deciding whether or not to participate.



Adelaide Brighton Ltd

Dividend Reinvestment Plan

Terms and conditions

Adelaide Brighton Ltd

ABN 15 007 596 018

Adelaide Brighton Ltd

Dividend Reinvestment Plan

Terms and conditions

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Terms and conditions

1 Interpretation of the Plan

When used herein, unless the context indicates a contrary intention:

“**the Plan**” means the Adelaide Brighton Ltd Dividend Reinvestment Plan and incorporates the Terms and Conditions of “the Plan”;

“**ABL**” means Adelaide Brighton Ltd;

“**Terms and Conditions**” means the terms, provisions and conditions of the Plan set out in this document as amended from time to time in accordance with Clause 13;

“**shareholder**” means a registered holder of shares at the record date for the relevant dividend;

words importing any gender include the other genders;

“**participating shares**” means shares which are subject to the Terms and Conditions of the Plan and the dividend on which is reinvested in shares;

“**non-participating shares**” means shares which are not subject to the Plan and on which the dividend is paid in the normal way;

“**daily volume weighted average price**” or “**daily VWAP**” means the volume weighted average price (calculated by ASX Limited “ASX”) of all ABL shares sold on the ASX on that particular day. The daily VWAP is to be determined by ABL from information obtained from ASX (or its subsidiaries) and for the purpose of this definition, a share sold pursuant to:

- (i) a transaction which is defined in the ASX Market Rules as “special”;
- (ii) a crossing prior to the commencement of normal trading;
- (iii) a crossing during the closing phase and the after hours adjustment phase;
- (iv) an overseas trade;
- (v) a trade pursuant to the exercise of an option;
- (vi) an overnight trade; or
- (vii) any other sale that the Directors consider may not be fairly reflective of genuine supply and demand,

is not taken to be in the ordinary course of trading on ASX;

“**DRP price**” is the average of the daily VWAPs over the pricing period less a discount (if any) determined by the Directors from time to time (rounded to three decimal places);

“**pricing period**” is the period of 20 business days (or such other number of trading days as the Directors may determine in its absolute discretion) commencing on the trading day immediately following the record date for relevant dividend; and

“**record date**” means the date and time, as determined by the Board and announced to the ASX, at which a person is taken to hold shares for the purpose of determining the entitlement of shareholders to dividends.

2 Participation in the Plan

Participation in the Plan:

- (i) shall be subject to the Terms and Conditions;
- (ii) is optional;
- (iii) will be extended to all shareholders with registered addresses in jurisdictions determined by the Board (at its absolute discretion having regard to, amongst other things, the number of shareholders registered in a jurisdiction and the relevant costs and time requirements of complying with local legal requirements) to be appropriate or desirable in respect of a specific dividend. In respect of the 2008 interim dividend, the Board has determined that shareholders with registered addresses in Australia and New Zealand are eligible to participate in the Plan. Shareholders with registered addresses in other jurisdictions, including the United States of America are not, at this time, able to participate; and
- (iv) participation may be varied or terminated by a shareholder in accordance with Clauses 9 and 11.

3 Application to participate

An application to participate in the Plan may be made on an Application Form supplied by ABL and signed by the applicant. Alternatively, holders can elect to participate or vary election details online at www.computershare.com.au by clicking on “Investor Centre/Reinvestment Plans” and following the prompts.

4 Degree of participation

A shareholder may participate in the Plan in respect of all the shares registered in his or her name (described as “full” participation), or in respect of part only of the shareholding registered in his or her name (described as “partial” participation). A shareholder, eligible to participate in the Plan, shall specify on the Application Form the degree to which he or she wishes to participate in the Plan by:

- (i) ticking the box marked “full participation” for full participation; or
- (ii) specifying how many shares he or she wishes to participate in the Plan for partial participation.

Under full participation, all shares registered in the participant’s name from time to time, including shares allocated pursuant to the Plan, will be subject to the Plan.

Under partial participation, only that number of shares as specified by the participant will be subject to the Plan.

Signed Application Forms received by ABL which do not indicate the degree of participation will be deemed to be an application for full participation. ABL will not be liable to the shareholder for any loss, damage or claim with respect to either the shareholder’s participation or non-participation (as the case may be) pursuant to the exercise by ABL of its discretion.

The Directors have an overriding discretion to refuse to accept shares for participation in the Plan and to suspend or withdraw shares from participation.

5. Operation of the Plan

Each dividend which is payable to a holder in respect of shares subject to the Plan and which is available for payment to the participant will be credited to the shareholder’s DRP account with ABL and then be applied by ABL on the participant’s behalf in subscribing for additional ABL shares.

ABL will, in respect of each dividend payable to a participant:

- (i) determine the amount of the dividend payable in respect of that participant’s shares subject to the Plan;
- (ii) credit such amount to the shareholder;
- (iii) deduct withholding tax, if any;

- (iv) determine the maximum whole number of additional ABL shares, priced in accordance with the Terms and Conditions of the Plan, to be acquired by reinvesting the amount credited to the participant by dividing the amount in the participant's DRP account by the DRP Price and rounding that number to the nearest whole number (noting that a fractional entitlement to 0.5 or more of a share will be rounded up and an entitlement to less than 0.5 of a share will be rounded down);
- (v) on behalf of and in the name of the participant reinvest that amount in that number of additional ABL shares and debit the relevant amount from the participant;
- (v) allocate that number of additional shares to the participant; and
- (vi) forward to each participant a statement after each dividend is paid.

The shares will be allocated under the Plan at a discount to be determined by the Directors (if any) to the average of the daily volume weighted average price of all fully paid ordinary ABL shares sold on ASX during the pricing period commencing on the trading day immediately following the record date.

6 Shares allotted under the Plan

The Company may, in its discretion, issue new shares or allocate shares already on issue (whether acquired on ASX or otherwise) to participants to satisfy the Company's obligations under the Plan.

All shares newly issued under the Plan will rank equally in all respects with existing ABL shares. ABL will apply promptly for any new shares issued under the Plan to be listed for quotation on ASX.

7 Cost to participants

Under present State and Federal legislation, no brokerage, commission, stamp duty, or other transaction costs will be payable by the participant in respect of any allotment of shares under the Plan.

8 Statements to participants

After each dividend payment, ABL will forward to each participant a statement that may include:

- (i) the number of the participant's shares subject to the Plan as at the record date;
- (ii) the amount of dividend payable to the participant in respect of his or her participating shares;
- (iii) the amount of withholding tax, if any;
- (iv) the number of shares allocated under the Terms and Conditions of the Plan; and
- (v) the franked amount (if any) of the dividend payment and the franking credit (if any) attached to the dividend.

9 Variation to or termination of participation

Subject to Clause 11, a participant may at any time give notice to the Share Registrar, by submitting a signed Application Form to:

- (i) increase or decrease the number of shares subject to the Plan; or
- (ii) terminate his or her participation in the Plan.

Any notice provided pursuant to this Clause is only effective in relation to any dividend payable referable to a record date set after the notice is received by the Company.

If a participant dies, participation in the Plan terminates upon receipt by the Company of written notice of death. If a participant is declared bankrupt or is wound up, participation in the Plan terminates upon receipt by the Company of a notification of bankruptcy or winding up from the participant or participant's trustee in bankruptcy or liquidator (as the case may be). The death, bankruptcy or winding up of one or more joint holders does not automatically terminate participation, provided the remaining holder or holders are eligible to participate in the Plan.

10 Reduction or termination where no notice is given

Where a participant disposes of part of his or her holding of ABL shares and does not give notice otherwise:

- (i) if the number of shares disposed of is less than the number of non-participating shares held by the participant, then the shares disposed of will be deemed to be non-participating shares; and
- (ii) if the number of shares disposed of is greater than the number of non-participating shares held by the participant, then the shares disposed of will be deemed to be all the participant's non-participating shares plus such additional number of his or her participating shares as may be necessary to aggregate the total number of shares disposed of.

11 Applications and notices

Applications and notices shall be in writing and in such form as ABL may from time to time require. Such application and notices will be effective on receipt by ABL subject to:

- (i) these Terms and Conditions;
- (ii) in the case of applications, acceptance by ABL; and
- (iii) receipt by ABL on or before the record date to which the application or notice relates. Applications and notices, including notices of death, received after such date will not be effective for that dividend but will be effective for dividends thereafter.

12 Modification and termination of the Plan

The Plan may be modified or terminated by the Directors of ABL at any time by notification on the Company's website and by notice to ASX.