



Extraordinary General Meeting May 14th 1999

Benefits of the restructuring

- Rationalisation of operations, securing cost-saving benefits of \$23 million annually
- Substantially improved risk profile
- Strategic partnership with Rugby Group
- a UK leader

Rationalisation Opportunities

- ▣ Closure of ABCL's Geelong Cement works
- ▣ Rationalisation of the merged company's cement and lime operations in Western Australia
- ▣ Head office rationalisation
- ▣ A review of ABL's other businesses

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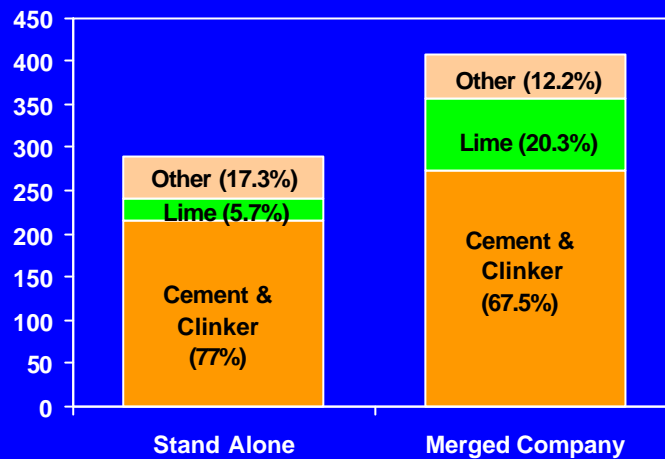
Improved risk profile

- ▣ Secure long term cement supply contracts
- ▣ Diversification into lime
- ▣ Reduced reliance on exports
- ▣ Stronger competitive position

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Diversification of Revenue

(Forecast 1999 sales revenue - \$m)



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Strategic alliance with the Rugby Group

- International participant in building materials sector
- Increased focus on cement and lime
- Financially strong
- Committed to Australia
- Regional growth opportunities

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The Rugby Group PLC



- ▣ Market capitalisation in excess of A\$1.86 billion and sales in excess of A\$2.7 billion
- ▣ One of the UK's leading cement groups with two principle businesses - Cement and Lime; and Joinery
- ▣ Focus on cement and lime

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Rugby's Cement & Lime Business

- ▣ Plants in UK, Poland, Central Europe, Jamaica, Australia
- ▣ Focus to develop cement and lime assets into modern, low cost capacity by end of millennium
- ▣ Further international growth is planned
- ▣ Adelaide Brighton will provide the base for further regional expansion as opportunities arise

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Overview of Cockburn Cement

Operations Overview



Munster Works

- 4 Clinker Kilns
- 2 Lime Kilns

Dongara Works

- 1 Lime Kiln

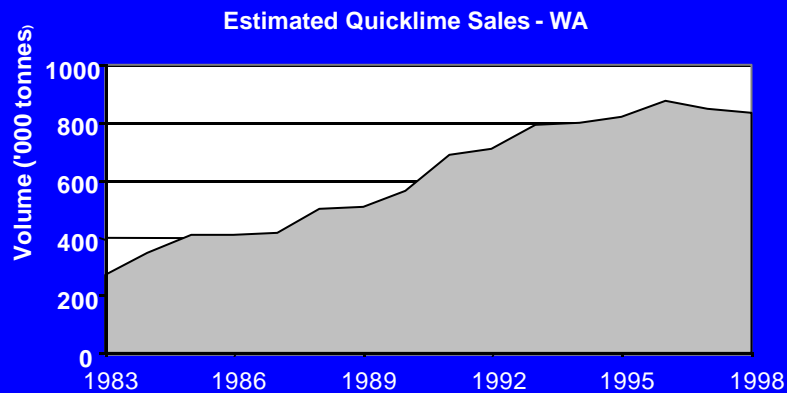
Other

- Quicklime Hydration Plants
- Cement Distribution Centres
- Limestone Quarries
- Shellsand Dredging

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Growth in the WA Lime market

- Demand expected to increase by further 130,000 tpa upon full commissioning and utilisation of new alumina capacity



Source: Cockburn Cement

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Forecast growth in WA lime market

- ▣ Increased lime sales due to expansion by the alumina industry
- ▣ Long-term contracts with Alcoa and Worsley Alumina
- ▣ Alcoa to increase capacity by 25% at Wagerup - mid 1999
- ▣ Worsley to expand plant by more than 75% - early 2000

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