

Level 1
157 Grenfell Street
Adelaide SA 5000

GPO Box 2155
Adelaide SA 5001



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

Adelaide Brighton Ltd
ACN 007 596 018

5 November 2001

Dear Convertible Noteholder

**Redemption of Convertible Unsecured Notes ('Notes') by
Adelaide Brighton Ltd ('the Company')**

In August 2000, all Noteholders, and the Australian Stock Exchange, were notified by the Company that it would be redeeming in full all Notes, at their face value of \$2.00 each, on 15 December 2001. The purpose of this letter is to:

- confirm that the Company will be exercising its right to redeem all Notes on 15 December 2001;
- confirm that the Company will therefore be repaying to Noteholders the principal amount of \$2.00 for each Note ('**Principal Amount**');
- notify you that, for the purpose of enabling the Company to redeem the Notes, the Register of Noteholders ('**Register**') will be closed by the Company from the close of business on Friday 30 November 2001 for a period of 15 days;
- confirm that the Company will be paying the final interest payment on 15 December 2001 to all Noteholders on the Register at the close of business on Friday 30 November 2001; and
- ask you to check some details relating to your holding of Notes.

Explanatory information

The procedure which the Company will adopt in order to redeem all Notes will be as follows:

- The Register will be closed at close of business on Friday 30 November 2001 and will remain closed until close of business on Monday 17 December 2001, in order to determine the owners of the Notes for the purposes of repayment of the Principal Amount.

Any transfers of Notes should therefore be notified to the Company prior to close of business on 30 November 2001.

Any transfers notified to the Company **after close of business on 30 November 2001** will have **no effect** and the payment of the Principal Amount will be forwarded to the transferor.

- The Company will pay the Principal Amount to a Noteholder by either posting a cheque or by a direct payment into the Noteholder's nominated bank account.

If Noteholders have, in the past, received their interest payments on Notes by way of cheque, then they will receive the Principal Amount by cheque. If Noteholders have, in the past, received their interest payments by direct payment to a bank account, then they will receive the Principal Amount by direct payment to that bank account.

- Payment of the Principal Amount by the Company will have the effect of redeeming and cancelling each Note.
- The Notes will cease trading on the Australian Stock Exchange at close of business on Friday 23 November 2001.

Things Noteholders may need to do

As at the date of this letter, you appear in the Register as the holder of [*insert number*] Notes.

If **no** bank account details for you appear in the box below, then:

- you will receive your Principal Amount by cheque; and
- you do not have to take any action.

If bank account details for you **do** appear in the box below, then:

- you will receive your Principal Amount by direct payment into that bank account; and
- if the bank account details are **incorrect** you must contact the Company's Share Registry as soon as possible. The Share Registry can be contacted on:

Computershare Investor Services Pty Ltd
 GPO Box 1903
 Adelaide SA 5001
 Telephone: 08 8236 2300
 Facsimile: 08 8236 2305

Noteholders's name:	
Bank name:	
Account number:	

If you have any questions regarding this letter, please contact Ms Luba Przedworski on 08 8223 8005 or luba.przedworski@adbri.com.au.

Yours sincerely

M Hoad
 Company Secretary