

Supplementary Bidder's Statement

made by

Hamilton Securities Limited

(ACN 138 270 201)

1. Introduction

About this document

- 1.1 This document is a supplementary bidder's statement dated 7 January 2010 made by Hamilton Securities Limited ACN 138 270 201 (*Hamilton Securities*) under section 643 of the *Corporations Act 2001* (Cth) (*Corporations Act*) (the *Supplementary Bidder's Statement*).
- 1.2 This Supplementary Bidder's Statement supplements and is to be read together with Hamilton Securities' original Bidder's Statement dated 23 December 2009 (the *Bidder's Statement*).

Important notices

- 1.3 A copy of this Supplementary Bidder's Statement was lodged with ASIC on 7 January 2010. Neither ASIC nor any of its officers takes any responsibility for the contents of this Supplementary Bidder's Statement.
- 1.4 This Supplementary Bidder's Statement will prevail to the extent of any inconsistency with the Bidder's Statement.

Defined terms

- 1.5 Words defined in the Bidder's Statement have the same meaning in this Supplementary Bidder's Statement, unless the contrary intention appears.

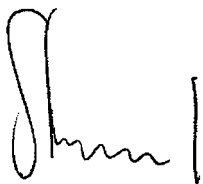
2. Changes to the original Bidder's Statement

- 2.1 Hamilton Securities has made a number of changes to the original Bidder's Statement to reflect discussions with ASIC in relation to the original Bidder's Statement.
- 2.2 The changes are contained in the Annexure to this Supplementary Bidder's Statement.
- 2.3 References to "Sections" in the Annexure to this Supplementary Bidder's Statement are references to Sections in the original Bidder's Statement.

3. Directors' authorisation

- 3.1 This Supplementary Bidder's Statement was approved by a unanimous resolution of all of the Directors of Hamilton Securities.

Signed for and on behalf of Hamilton Securities Limited.



Chairman

Annexure

1. Page 3

Key Dates

Replace the timetable under this heading with the following timetable:

"Announcement of the Offer	18 December 2009
Lodgement of original Bidder's Statement	23 December 2009
Lodgement of this replacement Bidder's Statement	7 January 2010
Offer Opens	13 January 2010
Offer Closes*	26 February 2010"

2. Important Information

In the first sentence under this heading:

- insert the word "replacement" between "a" and "Bidder's"; and
- "and ASIC Class Order 00/344" between "Act" and "in".

In the second sentence under this heading:

- insert "replacement" between "This" and "Bidder's";
- insert "(referred to as the *Bidder's Statement*)" between "Statement" and "is"; and
- replace "23 December 2009" with "7 January 2010 and replaces the original Bidder's Statement which was lodged with ASIC and dated 23 December 2009".

ASIC

In the first sentence under this heading, replace "23 December 2009" with ", and is dated, 7 January 2010".

3. Chairman's Letter

Change the date of the Chairman's letter to "7 January 2010".

Summary of this Offer

Insert the following sentence after the second sentence of the second paragraph under this heading:

"There is no guarantee that Debentures are worth \$30, nor that accepting Debenture Holders will be able to trade A Class Shares at or above their \$1.00 issue price."

4. Why You Should Accept the Offer

Hamilton Securities management team has many years of relevant experience

In Section 1.10, replace ", and have" with ". Mr Woollard in particular has".

In economic terms, you will retain securities that retain many of the characteristics of your current investment, but the securities will be more liquid

Insert a new Section 1.15:

" Hamilton Securities intends to make a bonus issue of B Class Options to holders of the existing A Class Shares and B Class Shares (see Sections 7.15 to 7.26 for further details). A maximum of 1,703,211 new B Class Options may be issued, depending on the level of acceptance of the Offer by Debenture Holders. If all B Class Options are exercised (including those currently on issue), the number of B Class Shares on issue will be approximately 3,023,211. Accordingly, the interests of accepting Debenture Holders in Hamilton Securities may be diluted to be approximately 84.4% of total shares on issue."

Renumber Sections 1.15 to 1.21 to accommodate the new Section 1.15.

Risks associated with the Offer

Add a new heading and a new Section 1.23 as follows:

" Risks associated with the Offer

1.23 Please refer to Section 8 which sets out the risks associated with accepting the Offer."

5. Important Questions

Offer Structure

Insert the following sentence after the second sentence in the answer to the question "What is the value of the Offer?":

"There is no guarantee that Debentures are worth \$30, nor that accepting Debenture Holders will be able to trade A Class Shares at or above their \$1.00 issue price."

Delete the second sentence in the answer to the question "What are A Class Shares?".

Insert the following rows after the question, "What are A Class Shares?":

"What are the rights attached to A Class Shares?"	A summary of the rights of A Class Shares is set out in Sections 11.5 to 11.10 of this Bidder's Statement.
How do A Class Shares differ from B Class Shares?	Holders of A Class Shares have the same dividend rights and the same distribution rights on a winding up of Hamilton Securities as holders of B Class Shares, and the same right to attend general meetings. However, A Class Shareholders are not entitled to vote at general meetings unless the rights attached to A Class Shares are being varied. In particular, A Class Shareholders may not vote in relation to the appointment or removal of directors, or any amendment to the constitution unless the amendment varies the rights attached to the A Class Shares. See further at Sections 11.5 to 11.12 of this Bidder's Statement."

General

Insert the following row after the question, "Is there a number that I can call if I have further queries in relation to the Offer?":

<p>"Who controls Hamilton Securities?"</p>	<p>The four Hamilton Securities Directors together control (directly or indirectly) approximately 59% of B Class Shares on issue. Because B Class Shares are the only voting shares, these Directors will be in a position to cast the majority of votes at a general meeting of the company. This will enable the Directors to control the company and its strategic direction.</p> <p>See further at Sections 11.2 and 11.13 of this Bidder's Statement."</p>
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6. Board of Directors

In Section 4.33, insert "Pty" after "Management" and before "Limited".

7. Financial Information

Proposed issue of new options to current shareholders

In Section 7.16, insert the following to the end of the second sentence:

"by ensuring that no value attaches to the new B Class Options unless the market price of B Class Shares exceeds the \$1.00 exercise price. As the economic rights of both A Class Shares and B Class Shares are the same (the only difference being voting rights), any increase in the value of the company's net assets should increase the value of both classes of shares".

Insert the following as a new subheading between Sections 7.18 and 7.19:

"Terms of issue of new options to current shareholders".

Insert the following paragraphs after Section 7.19:

- 7.20 Each B Class Option entitles the optionholder to the issue of one B Class Share upon payment to the company of \$1.00 at any time up to 30 November 2019. Each B Class Share issued as the result of the exercise of a B Class Option will rank equally with other B Class Shares already on issue.
- 7.21 B Class Options must be exercised in multiples of 1,000, unless an optionholder exercises all of their options at the same time.
- 7.22 Subject to the *Corporations Act* and the NSX Listing Rules, the options are freely transferable.
- 7.23 The holder of a B Class Option may only participate in a new issue of securities to holders of B Class Shares if the option has been exercised on or before the record date for determining entitlements to the issue. At least seven days notice of the record date for determining entitlements to any new issue will be given to B Class Optionholders in accordance with the NSX Listing Rules.
- 7.24 If there is a bonus issue to the holders of B Class Shares, each B Class Optionholder will receive on the exercise of their options the number of B Class Shares to which they would have been entitled if they had exercised their options on or before the record date for the bonus issue, or the record date for the first bonus issue if there are more than one bonus issue.
- 7.25 Any adjustment to the number of outstanding B Class Options and their exercise price under a reorganisation of the company's share capital must be made in accordance with the NSX Listing Rules.
- 7.26 The company will make application for the listing of all B Class Shares issued on the exercise of B Class Options in accordance with the NSX Listing Rules."

8. Risks

(b) A Class Shares are non-voting

Insert the following as the second paragraph to this Section:

"There is a risk that holders of A Class Shares may have their interests diluted if further share issues are authorised by the directors, or by way of resolution passed by the holders of B Class Shares (as only B Class Shares are entitled to vote on such a resolution)."

(c) Issue of A Class Shares as Consideration

Insert the following as the first paragraph to this Section:

"A Class Shares have not traded since the company was listed on NSX on 29 October 2009. Accordingly, there is a risk that an active market for A Class Shares will not develop. There is also no guarantee that accepting Debenture Holders will be able to trade A Class Shares at or above their original \$1.00 issue price."

9. Additional Information

Substantial Shareholders

In the table in Section 11.2:

- delete the word "held" from the title of the second column; and
- insert "*" after "Samuel Terry Asset Management Pty Ltd" and "***" after "224,800".

Insert the following below the table:

*Mr Woollard is the managing director of and indirectly controls Samuel Terry Asset Management Pty Ltd.

** Samuel Terry Asset Management Pty Ltd as trustee for the Samuel Terry Absolute Return Fund controls 222,799 B Class Shares. Mr Woollard holds 1 B Class Share personally. 2,000 B Class Shares are held beneficially by another director of Samuel Terry Asset Management Pty Ltd.

11.3 The four Hamilton Securities Directors together control (directly or indirectly) approximately 59% of B Class Shares on issue. Because B Class Shares are the only voting shares, these Directors will be in a position to cast the majority of votes at a general meeting of the company. This will enable the Directors to control the company and its strategic direction."

Renumber the balance of Section 11 to accommodate the new Section 11.3.

Trading of A Class Shares

Replace the heading with "*No trading of A Class Shares*".

Replace new Section 11.4 with the following sentence:

"A Class Shares have not traded on NSX since the company was listed on NSX on 29 October 2009".

Directors' Interests in Hamilton Securities

Insert "*" after "222,800" in the table in new Section 11.13 and insert the following paragraph below the table:

* Mr Woollard is the managing director of and indirectly controls Samuel Terry Asset Management Pty Ltd. Samuel Terry Asset Management Pty Ltd as trustee for the Samuel Terry Absolute Return Fund controls 222,799 B Class Shares. Mr Woollard holds 1 B Class Share personally."

Remuneration of Directors

Insert the following sentence at the end of new Section 11.19:

"To the extent required by law, the company's constitution or the NSX Listing Rules, the directors will not vote on any such resolution."

Authorisation of Bidder's Statement

Delete "on 23 December 2009" at the end of new Section 11.39.