

Hamilton Securities Limited
ACN 138 270 201

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31 March 2010

The Manager
Company Announcements Office
NSX
Level 2, 117 Scott Street
Newcastle NSW 2300

Dear Sir/Madam,

**Hamilton Securities Limited (NSX: HSE)
Bonus Issue of B Class Options and On-market buy-back of A Class Shares**

Hamilton Securities announces that it:

- will make a bonus issue of options to acquire B Class Shares exercisable at \$1.00 with an expiry date of 30 November 2019 (*B Class Options*); and
- intends to carry out a share buy-back of all of the A Class Shares.

Bonus issue of B Class Options

All A Class and B Class shareholders (*Eligible Shareholders*) on the record date of **16 April 2010** (*Record Date*) will receive bonus B Class Options. This bonus issue is in accordance with the intention stated in Hamilton Securities' Replacement Bidder's Statement issued on 7 January 2010 for its takeover bid for the debentures in the Timbercorp Orchard Trust (*Bid*).

One bonus B Class Option will be issued for every 10 A Class Shares issued to accepting debenture holders under the Bid. These B Class Options will be issued to Eligible Shareholders in proportion to the number of A Class Shares and B Class Shares they hold as at the Record Date (so far as practicable).

Eligible Shareholders do not have to do anything to receive bonus B Class Options.

The company's shares will be quoted on an ex-entitlement basis on 12 April 2010.

The total number of bonus B Class Options to be issued will not be finalised until after the Bid has closed, and the number of A Class Shares to be issued is known. A further announcement will be made at that time.

An indicative timetable for the bonus issue is provided below.

| | |
|--|---------------|
| Ex-date | 12 April 2010 |
| Record Date | 16 April 2010 |
| Close of Bid | 30 April 2010 |
| Announcement of final bonus issue allocation | 4 May 2010 |
| Issue bonus B Class Options | 12 May 2010 |

| | |
|--|-------------|
| Dispatch of holding statements for bonus B Class Options | 13 May 2010 |
| Quotation of B Class Options on NSX | 14 May 2010 |

These dates are indicative only. The company may vary the dates and times without notice.

On-market buy-back of A Class Shares

The Company is also pleased to announce that it intends to carry out an on-market share buy-back of up to 100% of the A Class Shares immediately following the issue of A Class Shares under the Bid. The number of A Class Shares that will actually be bought back will depend on the company's available cash resources, the market price, the number of A Class Shares that are issued to accepting debenture holders under the Bid, and the willingness of A Class Shareholders to sell at market prices.

The A Class Shares are not voting shares (as defined in the Corporations Act), and so shareholder approval is not required in order to carry out the buy-back.

It is currently envisaged that the buy-back will commence on 11 May 2010 and continue until further notice. The Company believes that an initial buy-back period of 12 months will be sufficient, but it will monitor the level of A Class Shares bought back during the period to ascertain whether an extension is required.

A notice of intention to carry out a share buy-back is attached.

Yours faithfully



Giles Craig
Director



Notice of intention to carry out a share buy-back

Related forms:

280 Notification of share buy-back details

If there is insufficient space in any section of the form, you may photocopy the relevant page(s) and submit as part of this lodgement

Company details

Company name

Hamilton Securities Limited

ACN/ ABN

138 270 201

Lodgement details

Who should ASIC contact if there is a query about this form?

Firm/organisation

Baker & McKenzie

Contact name/position description

HT Goh

ASIC registered agent number (if applicable)

277

Telephone number

9225 0200

Postal address

AMP Centre, Level 27, 50 Bridge Street, Sydney NSW 2000

1 Type of share buy-back

For guidance on when a Form 281 needs to be lodged, see the BUY-BACK PROCEDURE table on page 2.

Tick the box for the type of share buy-back and provide the dates as requested.

The 10/12 limit is 10% of the smallest number, at any time during the last 12 months, of votes attaching to voting shares of the company.

| | | | |
|-------------------------------------|---|--|--|
| <input type="checkbox"/> | Employee share scheme buy-back (within 10/12 limit) | Proposed date for buy-back agreement to be entered into [] [] / [] [] / [] [] [D] [D] [M] [M] [Y] [Y] | |
| <input type="checkbox"/> | Employee share scheme buy-back (over 10/12 limit) | Proposed date for buy-back agreement to be entered into AND [] [] / [] [] / [] [] [D] [D] [M] [M] [Y] [Y] | Proposed date for passing the resolution to approve the buy-back [] [] / [] [] / [] [] [D] [D] [M] [M] [Y] [Y] |
| <input checked="" type="checkbox"/> | On-market buy-back (within 10/12 limit) | Period of buy-back From [1] [1] / [0] [5] / [1] [0] [D] [D] [M] [M] [Y] [Y] | to [1] [1] / [0] [5] / [1] [1] [D] [D] [M] [M] [Y] [Y] |
| <input type="checkbox"/> | On-market buy-back (over 10/12 limit) | Period of buy-back From [] [] / [] [] / [] [] [D] [D] [M] [M] [Y] [Y] | to [] [] / [] [] / [] [] [D] [D] [M] [M] [Y] [Y] |
| <input type="checkbox"/> | Equal access scheme buy-back (within 10/12 limit) | Proposed date for buy-back agreement to be entered into [] [] / [] [] / [] [] [D] [D] [M] [M] [Y] [Y] | AND Proposed date for passing the resolution to approve the buy-back [] [] / [] [] / [] [] [D] [D] [M] [M] [Y] [Y] |

1 Continued... Type of share buy-back

| | | |
|--|---|--|
| <input type="checkbox"/> Equal access scheme buy-back (over 10/12 limit) | Proposed date for buy-back agreement to be entered into AND <input type="text"/> / <input type="text"/> / <input type="text"/> <input type="text"/> / <input type="text"/> <input type="text"/> [D] [D] [M] [M] [Y] [Y] | Proposed date for passing the resolution to approve the buy-back <input type="text"/> <input type="text"/> / <input type="text"/> <input type="text"/> / <input type="text"/> <input type="text"/> [D] [D] [M] [M] [Y] [Y] |
| <input type="checkbox"/> Selective buy-back | Proposed date for buy-back agreement to be entered into AND <input type="text"/> <input type="text"/> / <input type="text"/> <input type="text"/> / <input type="text"/> <input type="text"/> [D] [D] [M] [M] [Y] [Y] | Proposed date for passing the resolution to approve the buy-back <input type="text"/> <input type="text"/> / <input type="text"/> <input type="text"/> / <input type="text"/> <input type="text"/> [D] [D] [M] [M] [Y] [Y] |

Signature

This form must be signed by a director or secretary.

Name

Capacity
 Director
 Secretary

Signature

Date signed
 / /
 [D] [D] [M] [M] [Y] [Y]

Lodgement

Send completed and signed forms to:
 Australian Securities and Investments Commission,
 PO Box 4000, Gippsland Mail Centre VIC 3841.

For help or more information

Telephone 03 5177 3988
 Email info.enquiries@asic.gov.au
 Web www.asic.gov.au

BUY-BACK PROCEDURE

The following table specifies the steps required for, and the sections (and forms) that apply to, the different types of buy-back.

| Procedures (and sections applied) | Minimum holding | Employee share scheme buy-back | | On-market buy-back | | Equal access scheme buy-back | | Selective buy-back |
|---|-----------------|--------------------------------|------------------|--------------------|------------------|------------------------------|------------------|--------------------|
| | | within 10/12 limit | over 10/12 limit | within 10/12 limit | over 10/12 limit | within 10/12 limit | over 10/12 limit | |
| Ordinary resolutions (s257C) | | | YES | | YES | | YES | |
| Special/unanimous resolutions (s257D) | | | | | | | | YES |
| Lodge offer documents with ASIC (s257E) | | | | | | YES | YES | YES |
| 14 days notice (s257F) | | YES | YES | YES | YES | YES | YES | YES |
| Disclose relevant information when offer made (s257G) | | | | | | YES | YES | YES |
| Cancel shares (s257H) | YES | YES | YES | YES | YES | YES | YES | YES |
| Notify cancellation to ASIC on Form 484 (s254Y) | YES | YES | YES | YES | YES | YES | YES | YES |
| Lodge Form 280 with ASIC | NO | NO | YES | NO | YES | YES | YES | YES |
| Lodge Form 281 with ASIC | NO | YES | See Note 1 | YES | See Note 1 | See Note 1 & 2 | See Note 1 & 2 | See Note 1 & 2 |

NOTE 1 The company should lodge a Form 281 if it intends to give short (less than 14 days) notice of a meeting to approve the buy-back and lodge the notice of meeting (with a Form 280) less than 14 days before the relevant date.

NOTE 2 The company should lodge a Form 281 if it lodges the documents referred to in s257E less than 14 days before the relevant date.

Relevant dates and lodgement periods

- If the buy-back agreement is conditional on the passing of a resolution – the relevant date is date the resolution is passed.
- If the buy-back is not conditional on the passing of a resolution – the relevant date is the date the agreement is entered into (s257F).
- If a resolution is to be passed by way of a circular to all members that complies with s249A, an estimated last date for signing the circular should be used.

The Form 281 must be lodged at least 14 days before the relevant date.