AMALGAMATED HOLDINGS LIMITED
ABN 51 000 005 103

000001 000 AHD
MR JOHN SMITH 1
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123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

5 November 2009

Dear shareholder,

Renounceable entitlement offer to raise up to approximately $107 million

On 3 November 2009, Amalgamated Holdings Limited (**AHL**), announced an equity capital raising of up to approximately $107 million by way of a 1 for 5 renounceable entitlement offer of approximately 26.1 million fully paid new ordinary shares.

The record date for the entitlement offer is 7.00pm on Thursday 12 November 2009. The offer is open to shareholders at the record date whose registered address is in Australia or New Zealand (and who are not otherwise ineligible to participate).

We regret that you are not eligible to participate in the entitlement offer. Consequently, arrangements will be made by AHL to sell your rights through a licensed nominee in Australia (the **Nominee**). The net proceeds (if any) from the sale of your rights under the entitlement offer will be sent to you.

Any sale of your rights will be made at prices and otherwise in such a manner as the Nominee may determine. Interest earned on the proceeds of the sale of your entitlements will be applied against the expenses of the sale, including brokerage. Neither AHL nor the Nominee will be liable for any part of your rights which are not sold, or sold at any particular price. If there is no viable market for your rights, the rights will lapse and the associated new shares will be available to eligible shareholders who have applied for additional shares.

Yours sincerely

AG Rydge
Chairman
Amalgamated Holdings Limited