oldfields

OLDFIELDS HOLDINGS LIMITED

ACN: 000 307 988
PO BOX 1613, CAMPBELLTOWN NSW 2560
Telephone: 02 4627 0777 Facsimile: 02 46 27 0888

4 June 2008

Dear Fellow Shareholder,

This is an update on the activity of Oldfields Holdings Limited.

So much has happened during the last twelve months that we feel it is timely to keep you abreast of recent developments and to inform you of the progress achieved within the Group.

In July last year, the Scaffold Division expanded again with the acquisition of Advance Scaffolds.

Advance manufactures Aluminium and Fiberglass Scaffold in China. This business performs strongly, and when combined with our existing Scaffold Division, makes Oldfields number one in Aluminium Scaffolds in Australia.

We will shortly conclude the next tranche payment to the vendors of the “Advance” business. This will also involve an issue of shares by our Holding Company. We expect the Group's balance sheet to strengthen as a result of the acquisition of this business. We will announce developments when this is finalised in July.

On 1st March 2008 our Paints Application Division acquired the Paint Application business from Wyco International. “ Wyco” is a strong trade Roller Brand and compliments our business strategy, such that this will gain us market leadership status.

The Group has completed its purchase of our Archerfield Site at Beatty Road, Brisbane. This site is used by our busy Scaffold QLD branch and is also partially let to other third parties. Our property portfolio continues to increase and we anticipate solid gains in the years to come. This acquisition underpins our solid asset base.

On Friday 30th May, our Group announced that it had signed a Heads of Agreement to acquire the business of H&O Pharmaceuticals Pty Ltd “ H&O”. This business has operated for over twenty years and has recorded consistent growth. It has the potential to continue to grow significantly as it produces well known brands of detergents, laundry powders, hand cleaners and solvents. It also produces cosmetic lines under the brand name “Helena Cosmetics”. It's customers include well known national retailers and is gaining further business, with news today that it has won additional contract lines to major retail chains.

The vendors have agreed to accept a mixture of scrip and cash. As part of the agreement they will retain a minimum 25% equity in this business. This acquisition further strengthens our balance sheet. We will keep you advised of further developments.

The Group is poised for further growth delivering increased dividends. We are due to finalise the “H&O” Due Diligence by July and we aim to integrate this into our business by August 2008, assuming a successful Due Diligence outcome.

The Group's Consolidated Revenue for the year 2008 will approximate $45.6M up substantially from $35.3M in 2007. We further anticipate that our 2009 Revenue, after the planned H&O acquisition, will be well over $50M.

Anthony Mankarios
CEO