ANNOUNCEMENT TO THE AUSTRALIAN STOCK EXCHANGE

2 February 2004

Peter Hall, Chairman of Hunter Hall International Limited, made the following statement today:

1. Prospectus for internationally focussed Listed Investment Company lodged with ASIC

I am pleased to announce that on Friday, 30 January 2004, we lodged a prospectus with the Australian Securities and Investment Commission for a Listed Investment Companies (LIC), Hunter Hall Global Value Limited.

Hunter Hall Global Value will be issuing up to 200 million ordinary shares at $1 each, with a minimum subscription of $50 million. Each share will be issued with attaching option exercisable at $1 by 30 April 2007. This option period is longer than that offered by a number of other LICs. Based on the Black and Scholes model we estimate the market should value the options at between 11c and 21c, depending on the assumptions used.

The offer will open on 9 February and is expected to close on 5 March 2004. Trading of shares on the Australian Stock Exchange is expected to commence on 19 March 2004. The Lead Manager of the issue is Ord Minnett and the Co-managers are ABN AMRO Morgans, Bell Potter Securities and Commonwealth Securities. The issue is not underwritten.

The objective of Hunter Hall Global Value is to achieve substantial growth in the value of each share through ownership of a portfolio of undervalued international and Australian equities, augmented by a tax efficient capital management policy.

The Manager, Hunter Hall Investment Management, will manage the investment portfolio of the company with the objective of outperforming the Morgan Stanley Capital International World Accumulation Net Return Index in Australian Dollars by 5% per annum on a rolling five year basis.

By comparison, Hunter Hall's flagship Value Growth Trust has outperformed the MSCI index by 13.1% per annum since inception in May 1994 to 31 December 2003, and its benchmark, the All Ordinaries Accumulation Index by 10.4% per annum over the same period.

The Manager will receive a management fee of 1.5% of gross assets per annum and a performance fee of 15% of any outperformance of the benchmark MSCI index.

The Directors of Hunter Hall International have been considering the establishment of an internationally focussed LIC for some time. Hunter Hall is a "buy and hold" value investor and the LIC structure is an appropriate one for a pool of capital with long term objectives. LICs offer investors tax advantages in the form of concessional rates of tax on capital gains and the opportunity to receive franking credits.

There are good reasons why investors should support LICs, and particularly investors who are more comfortable investing in shares than in unit trusts. The launch of an LIC offers Hunter Hall the opportunity to offer its services to this as yet untapped segment of the investing public.

We expect that the differentiation provided by the international focus of Global Value, the promising outlook for international investment, Hunter Hall's track record of delivering for investors (in both our trust products and listed companies) and the structure of the offer should lead to good support for the issue.

2. Removal of 1% Entry Fee on Value Growth Trust (VGT), Australian Value Trust (AVT) and Global Ethical Trust (GET)

On 10 December the Board of Hunter Hall resolved to alter the fee structure of the Hunter Hall Value Growth Trust. With the new Product Disclosure Statement dated 29 January 2004 Hunter Hall will no longer receive a net 1% entry fee on new applications for these Trusts.

This is an important development for the company as removal of the 1% entry is expected to lead the Value Growth Trust to join the AVT and GET on selected Master Trust and Wrap Account platforms over the medium term. In the short term there will be a loss of net entry fee revenue but we expect that this will be more than compensated for by the increase in ongoing management fee as platform volumes increase.

3. Sale of Interest in MMC Asset Management Limited

Through an investment in AM Constable Pty Limited, a company controlled by our former director Peter Constable, Hunter Hall acquired a small interest in MMC Asset Management at a cost of $300,000. On 30 January 2004 we sold our interest in MMC to Peter Constable yielding a pre-tax profit of about $275,000. The sale was conducted in an amicable fashion and we wish Peter and his colleagues at MMC every success in their endeavours.

Please direct any enquiries in relation to Hunter Hall Global Value to:

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