

AUSTRALIAN UNITED INVESTMENT COMPANY LIMITED

ABN 37 004 268 679

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Wednesday, 18 June 2008

AUSTRALIAN UNITED INVESTMENT COMPANY LIMITED **SHARE PURCHASE PLAN**

The Directors of Australian United Investment Company Limited (AUI) advise that the company has established a Share Purchase Plan (Plan). A copy of the Terms and Conditions of the Plan are attached.

Directors announce an offer to eligible existing shareholders under the Plan to allow a shareholder to purchase up to \$5,000 of new shares in the Company at \$7.81. The offer price represents a 5% discount to the latest announced Net Tangible Asset Backing per share of AUI as at 31 May 2008 adjusted for market movements to Tuesday 17 June 2008.

Shares issued under this offer will rank equally with, and have the same rights as, all existing listed fully paid ordinary shares issued by AUI.

The Record Date to establish Plan entitlements is 17 June 2008.

A letter of offer, the Plan Terms and Conditions, and an application form will be mailed to all eligible shareholders on or about 27 June 2008.

The offer will close on Friday 18 July 2008.

A J Hancock
Company Secretary

Australian United Investment Company Limited

Share Purchase Plan

Terms and Conditions

1. Glossary

Capitalised terms in these Terms and Conditions have the meaning set out below unless the context otherwise requires.

Application Form	the application form approved by the Board for the purposes of the Plan, to be sent to Shareholders in respect of an Offer to them to participate in the Plan
ASX	ASX Limited trading as the Australian Securities Exchange
AUI	Australian United Investment Company Limited ABN 37 004 268 679
Board	the board of directors of AUI from time to time
Closing Date	the closing date of an Offer as determined by the Board
Eligible Shareholders	all Shareholders on a Record Date, except Ineligible Shareholders
Ineligible Shareholders	Shareholders whose registered address is in a country where, in the reasonable opinion of the Board, it is unlawful or impractical for AUI to issue Offers
Issue Price	the issue price for Shares under an Offer under the Plan as determined by the Board
Listing Rules	the listing rules of ASX from time to time
Offer	an offer of Shares under the Plan
Plan	the AUI share purchase plan the subject of these Terms and Conditions
Record Date	the record date determined by the Board for participation in an Offer
Shareholders	holders of Shares
Shares	ordinary shares in the capital of AUI
Terms and Conditions	these terms and conditions

2. Participation

The Board may make Offers under the Plan to all persons who, as at a Record Date determined by the Board are registered as Shareholders, except those Shareholders who are Ineligible Shareholders at that Record Date.

Participation in the Plan by Eligible Shareholders is optional and is subject to these Terms and Conditions.

3. Offers

Offers under the Plan will be non-renounceable and Shares may be issued under the Plan only to the Shareholder to whom they are offered.

Each Offer will be made on the same terms and conditions. All Eligible Shareholders will receive the same offer, irrespective of the number of Shares which they hold on the Record Date.

Offers under the Plan may be made once a year or as otherwise determined by the Board.

In any consecutive 12 month period, the maximum value of Shares for which each Eligible Shareholder may subscribe under the Plan is \$5,000 (or such other amount as the Board may determine in its discretion). This limit applies to each Shareholder even if that person holds Shares in more than one capacity – for example, as a sole holder and as a first (or subsequent) named holder of two or more joint holders. However, a trustee or nominee expressly noted on the Share register may receive an Offer for each occasion they are separately recorded as a trustee or nominee for a different beneficiary named on that register.

Offers will be made subject to any terms and conditions that the Board thinks fit which are consistent with these Terms and Conditions, including any minimum or maximum subscription amount (both individual and in aggregate), and how amounts under any minimum or in excess of any maximum may be dealt with. The Board may also determine the multiple(s) of Shares, or the fixed dollar amount(s), for which each Eligible Shareholder may subscribe under any given Offer.

4. Issue Price

Shares will be issued under the Plan at the issue price determined by the Board. The Issue Price will either be a fixed price or a price to be determined by a formula designated by the Board, provided that the Issue Price must on all occasions be a price which is less than the market price for Shares on ASX during a specified period (such specified period as determined by the Board) in the 30 days prior to either the date of the Offer or the date of issue of Shares under the Offer or the date of announcement of the Offer.

5. Costs of Participation

No brokerage, commissions, stamp duty or other transaction costs will be payable by Eligible Shareholders in respect of the application for, and issue of, Shares under the Plan.

6. Acceptance of Offers

Unless payment is made using the BPAY® facility, an Offer to participate in the Plan may be accepted by an Eligible Shareholder completing and returning the Application Form provided by AUI, together with the appropriate payment for the amount to which the application relates, by no later than the Closing Date (as specified on the Application Form).

Payment may be made by cheque or money order in Australian dollars drawn on an Australian bank.

If payment is made using the BPAY® facility, there is no requirement to return the Application Form. Eligible Shareholders using the BPAY® facility will be deemed to be bound by the Terms and Conditions and to have certified that the aggregate of the amount to which the application relates, and any other Shares in the class applied for under the Plan or any similar arrangement in the 12 months prior to the date of issue, does not exceed \$5,000 (or such other amount as the Board may determine in its discretion).

An Offer will be taken to have been accepted by an Eligible Shareholder only if the payment made in respect of the Eligible Shareholder's acceptance is paid in full on first presentation.

If one or more acceptances are received from an Eligible Shareholder in relation to Shares with a value greater than \$5,000 in any 12 month period, the Shareholder will be issued with the maximum number of Shares permitted by the Plan and the terms of the Offer. However, where an acceptance is received from a trustee or nominee expressly noted in the register as holding Shares on account of a beneficiary, the application and any certification given, and any issue of Shares to the trustee or nominee will be taken to be an application or certification by, and an issue to, that beneficiary. Any excess subscription monies will be refunded (without interest) to the Eligible Shareholder.

If an Eligible Shareholder subscribes for an amount which is not exactly divisible by the relevant Issue Price for the Shares, in calculating the number of Shares to be issued, all fractional entitlements will be disregarded.

Notwithstanding any other provision of these Terms and Conditions, the Board may, at its discretion, reject any acceptance which:

- (a) is incomplete or incorrectly filled out, or where the payment to which the acceptance relates is not paid in full on first presentation; or
- (b) the Board believes is completed by a person within, or a person acting for the account or benefit of a person within, another jurisdiction where, in the reasonable opinion of the Board, it would be unlawful or impractical for AUI to issue the Shares.

7. Issue of Shares

AUI will issue Shares pursuant to an Offer as soon as reasonably practicable after the Closing Date.

Unless determined otherwise by the Board at the time of issue, all Shares issued under the Plan will rank equally with all other Shares on issue as of the date of issue and will carry the same voting rights, dividend rights and other entitlements as those Shares.

AUI will apply for Shares issued under the Plan to be quoted on ASX.

AUI will, within the period required by the ASX Listing Rules, send Eligible Shareholders, whose application has been accepted by the Board, a holding statement in respect of any Shares issued to them under the Plan.

8. Amendment, Suspension and Termination of the Plan

The Board may, in its discretion, amend, suspend or terminate the Plan at any time and adopt any administrative procedures it thinks appropriate in relation to the Plan.

AUI will notify ASX of any amendment, suspension or termination of the Plan, but failure to do so will not invalidate the amendment, suspension or termination.

AUI may issue to any person fewer Shares than subscribed for under the Plan (or none at all) if AUI believes that the issue of those Shares would contravene any law (in any jurisdiction) or the rules of any stock exchange on which Shares are quoted.

9. Dispute Resolution

AUI may settle, in any manner it thinks fit, any difficulties, anomalies or disputes which may arise under or in connection with the operation of the Plan, whether generally or in relation to any participant or class of participants, offer, application or shares, and the decision of AUI shall be conclusive and binding on all participants and other persons to whom the determination relates.

AUI reserves the right to waive compliance with any provision of these Terms and Conditions.

10. Notices

Notices and statements to Eligible Shareholders may be given in any manner determined by the Board from time to time.

11. Privacy

Chapter 2C of the *Corporations Act 2001* (Cth) (the Act) requires information about Shareholders (including name, address and details of the shares held) to be included in AUI's public register. If a Shareholder ceases to be a Shareholder, Chapter 2C of the Act requires this information to be retained in AUI's public register. These statutory obligations are not altered by the *Privacy Act 1988* (Cth) as amended. Information is collected to administer Shareholders' security holdings.

12. Ineligible Shareholders

Eligible Shareholders are not themselves eligible to participate in respect of an Offer where they act for the account or benefit of an Ineligible Shareholder, or a person acting for the account or benefit of an Ineligible Shareholder.

Trustees or nominees acting for the account or benefit of any person are prohibited from extending the Offer to a person where this does not comply with applicable foreign laws. The Shares offered under this Plan have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended, or the securities laws of any U.S. state. It is the responsibility of the registered holder to ensure that any acceptance and application for Shares pursuant to an Offer complies with applicable foreign laws.