

Hamilton Securities Limited
ACN 138 270 201

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5 May 2010

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

Dear Sir/Madam,

Hamilton Securities Limited (NSX: HSE)
Prospectus for Bonus Issue of B Class Options

Further to yesterday's announcement, a prospectus in relation to the issue of 203,873 bonus B Class Options has today been lodged with ASIC and a copy follows this letter.

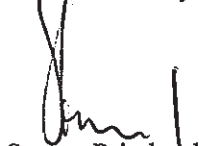
The prospectus has been lodged with ASIC for compliance purposes, so as to enable Hamilton Securities to issue bonus B Class Options and to facilitate secondary trading on NSX in the B Class Options and the B Class Shares issued by Hamilton Securities on exercise of the B Class Options.

The prospectus does **not** constitute an offer of B Class Options in Australia or elsewhere, and no applications for B Class Options will be accepted under the prospectus.

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

An application for quotation of the bonus B Class Options also follows this letter.

Yours faithfully



Steven Pritchard
Director

Hamilton Securities Limited

(ACN 138 270 201)

Prospectus for Bonus Issue of B Class Options

**This document is for information only.
Eligible Shareholders do not need to take any action to receive
bonus B Class Options.**

About this Prospectus

Hamilton Securities Limited is issuing one bonus B Class Option for every 3.14 A Class Shares or B Class Shares held by Eligible Shareholders as at the Record Date of 16 April 2010.

This Prospectus has been prepared to comply with the requirements of the Corporations Act, to permit a bonus issue of B Class Options to be made and to facilitate secondary trading on NSX in the B Class Options and any B Class Shares issued by Hamilton Securities on the exercise of the B Class Options.

The bonus issue of B Class Options under this Prospectus does not constitute an offer of B Class Options in Australia or elsewhere. No B Class Options may be applied for under this Prospectus.

About this Prospectus

Hamilton Securities Limited is a disclosing entity listed on the National Stock Exchange of Australia, and this Prospectus is issued under section 713 of the Corporations Act on the basis of information previously disclosed to NSX by Hamilton Securities. Accordingly, this Prospectus does not contain, by itself, all information relevant to a decision to invest in Hamilton Securities.

This Prospectus is for a bonus issue of B Class Options to Eligible Shareholders on the register of Shareholders on the Record Date. No other B Class Options are offered under this Prospectus, and no applications for B Class Options may be made under this Prospectus.

This Prospectus is dated 5 May 2010. A copy of the Prospectus was lodged with ASIC on that date. Neither ASIC nor NSX takes any responsibility for the contents of this Prospectus. No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of the Prospectus.

Interpretation and Terminology

Definitions of certain terms used in this Prospectus appear in Section 6.

All references to time in this Prospectus are to Sydney time.

Unless otherwise stated, references to currency in this Prospectus are references to Australian dollars.

Corporate Directory

Directors

Steven Pritchard
Giles Craig
Frederick Woollard
Gordon Elkington

Principal Business Office and Registered Office

10 Murray Street
Hamilton NSW 2303
Ph: (02) 4920 2877
Fax: (02) 4920 2878

Secretary

Melanie Holmes

Website

www.hamsec.com.au

Contents

Section	Heading	Page
1.	Why are you receiving this Prospectus?	1
2.	About Hamilton Securities	2
3.	Effect of the Bonus Issue on Hamilton Securities	3
4.	Risk Factors	4
5.	Additional Information	5
6.	Definitions	8
	Annexure A	9
	List of Hamilton Securities' Announcements on NSX	9

1. Why are you receiving this Prospectus?

The Bonus Issue

- 1.1 Hamilton Securities is making a bonus issue of B Class Options to Eligible Shareholders who held A Class Shares or B Class Shares as at the Record Date of 16 April 2010.
- 1.2 The intention to make the Bonus Issue was previously announced by Hamilton Securities in its Bidder's Statement for its takeover bid for the Debentures in the Timbercorp Orchard Trust (*Bid*). The Bid closed on 30 April 2010, and a total of 2,038,200 A Class Shares were (or will be) issued to Debenture holders who accepted the Bid.
- 1.3 One bonus B Class Option is being issued for every 10 A Class Shares that were (or will be) issued to Debenture holders under the Bid. These bonus B Class Options will be divided amongst the Eligible Shareholders in proportion to the number of A Class Shares and B Class Shares they held as at the Record Date (subject to rounding). The A Class Shares issued under the Bid do not carry entitlements to participate in the Bonus Issue.
- 1.4 The full terms and conditions of the B Class Options to be granted under this Prospectus are set out in Section 2.11. A summary of the rights attaching to B Class Shares that will be issued on the exercise of the B Class Options is set out in Sections 5.1 to 5.5.

Purpose of this Prospectus

- 1.5 The Corporations Act requires a prospectus to be prepared to permit a bonus issue of options to be made, and to facilitate secondary trading on NSX of those options and any shares issued on exercise of those options.
- 1.6 This Prospectus has been prepared solely to comply with the requirements of the Corporations Act. It is provided to you, as an Eligible Shareholder, for information only and is not an offer of new B Class Options.
- 1.7 The bonus issue of B Class Options under this Prospectus does not constitute an offer of B Class Options in Australia or elsewhere.**

No action required

- 1.8 Eligible Shareholders are not required to take any action to receive the B Class Options. Holding statements for B Class Options will be despatched to Eligible Shareholders.

Indicative timetable

Issue bonus B Class Options	17 May 2010
Dispatch of holding statements for bonus B Class Options	17 May 2010
Quotation of B Class Options on NSX	18 May 2010

- 1.9 These dates are indicative only. Hamilton Securities may vary the dates and times of the Bonus Issue without notice.

NSX Quotation

- 1.10 Hamilton Securities has applied for quotation on NSX of all B Class Options issued under this Prospectus.

2. About Hamilton Securities

- 2.1 This summary provides a brief description of Hamilton Securities and does not purport to be complete. Further information on the company can be found on its website (www.hamsec.com.au) or the NSX website (www.nsx.com.au). See also Sections 5.11 to 5.17 of this Prospectus for details of available information.
- 2.2 Hamilton Securities is an investment company which was listed on NSX on 29 October 2009. The company's investment objectives are:
- (a) to preserve the capital of the company; and
 - (b) to achieve a high real rate of growth of both income and capital.
- 2.3 The company aims to achieve these objectives by seeking to invest for the medium to long term in companies, trusts and interest bearing securities which may be distressed or illiquid, and constructing an investment portfolio that will:
- (a) focus on the investment merits of individual stocks rather than market and economic trends; and
 - (b) seek to invest in securities which the company believes are undervalued relative to their intrinsic value.
- 2.4 The company intends to invest predominantly in the Australian debt and equities markets. It may however diversify its risks by investing in other financial products such as warrants and interests in registered and unregistered managed investment schemes. It may also invest in overseas securities.

Hamilton Securities' Bid for the Timbercorp Orchard Trust Debentures

- 2.5 On 13 January 2010 Hamilton Securities made a takeover offer to acquire all of the Debentures of the Timbercorp Orchard Trust, under a Bidder's Statement dated 7 January 2010.
- 2.6 The Bid closed on 30 April 2010 and, as at the date of this Prospectus, Hamilton Securities has an interest in 11.06% in the Debentures with a face value of \$100 per Debenture, although the realisable value is significantly less than the face value.
- 2.7 The consideration under the Bid was 30 new A Class Shares for each Debenture. A total of 2,038,200 new A Class Shares were (or will be) issued to accepting Debenture holders under the Bid.
- 2.8 It is difficult to provide any meaningful guidance as to the current value of the Debentures. This is because ASX trading in the Debentures has been suspended since administrators were appointed to Timbercorp on 23 April 2009, and receivers were appointed to the Trust's assets on 22 October 2009. No guidance has been provided by the receivers as to the likely amount per Debenture that may be realised by a sale of the Trust's assets.

Proposed on-market buy-back of A Class Shares

- 2.9 On 31 March 2010 the company announced its intention 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 buy-back has not yet commenced.

- 2.10 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.

Terms of B Class Options

- 2.11 The B Class Options to be granted under the Bonus Issue have the following terms and conditions,
- (a) Each B Class Option entitles the optionholder to the issue of one B Class Share upon payment to the company of the exercise price of \$1.00 at any time up to the expiry date of 30 November 2019. Each B Class Share issued as the result of the exercise of a B Class Option will rank equally with other B Class Shares already on issue.
 - (b) B Class Options must be exercised in multiples of 1,000, unless an optionholder exercises all of their options at the same time.
 - (c) Subject to the Corporations Act and the NSX Listing Rules, the B Class Options are freely transferable.
 - (d) The holder of a B Class Option may only participate in a new issue of securities to holders of B Class Shares if the option has been exercised on or before the record date for determining entitlements to the issue. At least seven days notice of the record date for determining entitlements to any new issue will be given to B Class Optionholders in accordance with the NSX Listing Rules.
 - (e) If there is a bonus issue to the holders of B Class Shares, each B Class Optionholder will receive on the exercise of their options the number of B Class Shares to which they would have been entitled if they had exercised their options on or before the record date for the bonus issue, or the record date for the first bonus issue if there are more than one bonus issue.
 - (f) Any adjustment to the number of outstanding B Class Options and their exercise price under a reorganisation of the company's share capital must be made in accordance with the NSX Listing Rules.

These terms and conditions are the same as the terms and conditions of the B Class Options currently on issue.

- 2.12 Details of the key rights attaching to the B Class Shares to be issued on exercise of the B Class Options are set out in Sections 5.1 to 5.5 of this Prospectus.

3. Effect of the Bonus Issue on Hamilton Securities

Use of Proceeds

- 3.1 No funds will be raised by the issue of the B Class Options themselves. Any funds that may be raised from the exercise of B Class Options issued under the Bonus Issue will be used to further the company's investment activities and strategies.

Effect of the Bonus Issue

- 3.2 The principal effects of the Bonus Issue will be:
- (a) the number of B Class Options on issue will increase from 800,000 to 1,003,873 B Class Options; and

- (b) the number of B Class Shares on issue, if all B Class Options (including those to be issued under the Bonus Issue) are exercised, will increase up to 1,523,873 B Class Shares, and \$1,523,873, being the total exercise price, will be raised.

Capital Structure

- 3.3 The capital structures of the company as at the date of this Prospectus and following completion of the Bonus Issue will be as follows:

	A Class Shares	B Class Shares	B Class Options
Number of securities on issue as at the date of this Prospectus	2,158,200*	520,000	800,000
New issue of B Class Options under the Bonus Issue	-	-	203,873
Number of securities on issue on completion of Bonus Issue	2,158,200*	520,000	1,003,873

* This includes the full issue of A Class Shares to former Debenture holders under the Bid, and assumes that the on-market buy-back of the A Class Shares has not yet commenced.

4. Risk Factors

- 4.1 Hamilton Securities will issue B Class Shares on exercise of the B Class Options. Deciding to pay the exercise price to invest in new B Class Shares involves a number of risks, including risks specific to Hamilton Securities, the industry in which it operates and the general business environment. You should carefully consider the risk factors associated with an investment in Hamilton Securities. The materialisation of any of the risks described below could have a material adverse effect on Hamilton Securities' prospects, financial condition or the results of its operations:

- (a) Hamilton Securities has a limited operating experience (less than 12 months), and no history of profitability. No assurance is given in respect of the future earnings of the company or the earnings or capital appreciation of the company's investments.
- (b) The success and profitability of the company will depend in part upon the ability of the directors to manage the company's investments and to invest in other opportunities which have the potential to increase in value over time.
- (c) The future earnings of the company and the value of its investments may be affected by the general economic climate and other factors beyond the control of the company including variations in:
- (i) legislation and government policies;
 - (ii) taxation laws;
 - (iii) exchange rates;
 - (iv) short and long term interest rates; and
 - (v) commodity prices.
- (d) The price and value of investments that the company purchases can fall as well as rise.

- (e) The company relies on a number of key personnel. The loss of any of these personnel may have a detrimental effect on the company. The company does not have key person insurance.
- (f) The portfolio will be less diversified than that of other listed investment companies, at least in the short to medium term, since the Debentures represent the company's only investment (other than cash) as at the date of this Prospectus. The Debentures are illiquid, and this may adversely affect the price that the company could sell them for.
- (g) The price at which the company's shares are traded on NSX may be below the net asset backing of those shares. The constitution of the company does not entitle shareholders to require the board to implement a share buy-back or any other capital reconstruction, or to take any other remedial action.
- (h) Operational costs for the company as a proportion of total assets will be affected by the level of total assets of the company.
- (i) While the company will focus on acquiring the assets and specific securities of companies that are distressed, it may acquire assets that are themselves distressed. The Debentures are distressed assets.
- (j) Whilst borrowing to invest has the potential to increase the returns on investments, the gearing of an investment portfolio can also multiply the effects of falls in the value of investments. In an extreme case the value of shareholders' equity may be reduced to nil. The company does not currently have any borrowings, although it may have borrowings in the future.

4.2 Investors are strongly advised to regard any investment in the company as a medium to long term proposition and to be aware that, as with any other equity investment, substantial fluctuations in the value of their investment may occur.

5. Additional Information

Summary of rights attaching to B Class Shares

- 5.1 Upon issue, B Class Shares (including those that would be issued on the exercise of B Class Options) will be fully paid voting ordinary shares. There will be no liability on the part of B Class Shareholders for any calls, and the new B Class Shares will rank equally with other B Class Shares already on issue.
- 5.2 Detailed provisions relating to the rights attaching to the B Class Shares are set out in Hamilton Securities' constitution, the Corporations Act, and the NSX Listing Rules. The rights may be summarised as follows.
- 5.3 Each B Class Share confers on its holder the rights:
 - (a) to receive dividends as declared from time to time.
 - (b) to receive, in cash or in kind, a proportionate part of the whole or any part of the Hamilton Securities' property in a winding up of Hamilton Securities; and
 - (c) to attend and vote at all general meetings of Hamilton Securities either in person or by any representative, proxy or attorney.
- 5.4 The rights attaching to the B Class Shares may only be varied by a special resolution of A Class Shareholders and B Class Shareholders at a general meeting, and a special resolution of B Class Shareholders at a separate meeting of B Class Shareholders.

5.5 Subject to the Corporations Act and the NSX Listing Rules, the B Class Shares are freely transferable.

Summary of rights attaching to A Class Shares

5.6 A Class Shares have the same rights as B Class Shares, except that they have no voting rights.

Substantial Shareholders

5.7 As at the date of this Prospectus, the following entities had notified Hamilton Securities of current substantial shareholdings in Hamilton Securities:

Substantial Shareholder	Number of B Class Shares	%
Samuel Terry Asset Management Pty Ltd*	224,800**	43.23
Giles Cameron Craig	34,000	6.54
Steven Shane Pritchard	38,200	7.35

* Mr Frederick Woollard is the managing director of and indirectly controls Samuel Terry Asset Management Pty Ltd.

** Samuel Terry Asset Management Pty Ltd as trustee for the Samuel Terry Absolute Return Fund controls 222,799 B Class Shares. Mr Frederick Woollard holds 1 B Class Share personally. There are 2,000 B Class Shares held beneficially by another director of Samuel Terry Asset Management Pty Ltd.

5.8 The four Directors together control (directly or indirectly) approximately 59% of B Class Shares on issue. Because B Class Shares are the only voting shares, these Directors will be in a position to cast the majority of votes at a general meeting of the company. This will enable the Directors to control the company and its strategic direction.

Directors' Interests

5.9 As at the date of this Prospectus, details of the Directors who have a relevant interest in Hamilton Securities Shares or options for their own benefit (or who have an interest in holdings through a third party) and the total number of Hamilton Securities Shares or options held are listed as follows:

Director	A Class Shares	B Class Shares	B Class Options (current)	New Bonus B Class Options
Steven Pritchard	7,800	38,200	74,000	14,654
Giles Craig	6,000	34,000	80,000	12,740
Frederick Woollard	270,280	222,800*	316,000	87,898
Gordon Elkington	0	10,000	50,000	3,185

* Mr Woollard is the managing director of and indirectly controls Samuel Terry Asset Management Pty Ltd. Samuel Terry Asset Management Pty Ltd as trustee for the Samuel Terry Absolute Return Fund controls 222,799 B Class Shares. Mr Woollard holds 1 B Class Share personally.

Dividends

- 5.10 Hamilton Securities has not paid dividends to date and does not expect to pay dividends in the near future.

Available Information

- 5.11 Hamilton Securities is a disclosing entity for the purposes of the Corporations Act and has issued this Prospectus in accordance with the provisions of the Corporations Act applicable to prospectuses for continuously quoted securities. The Prospectus is intended to be read in conjunction with information previously publicly disclosed by Hamilton Securities.
- 5.12 As a disclosing entity, Hamilton Securities is subject to regular reporting and disclosure obligations. As a listed company, Hamilton Securities is subject to the NSX Listing Rules which require immediate disclosure to the market of any information of which Hamilton Securities is aware which a reasonable person might expect to have a material impact on the price or value of its Shares, subject to limited exceptions for certain confidential information.
- 5.13 NSX maintains detailed records of company announcements for all companies listed on NSX. Hamilton Securities' file is available for inspection at NSX. Announcements are available from NSX, and some of the more recent announcements can be viewed at www.nsx.com.au.
- 5.14 ASIC also maintains records in respect of documents lodged with it by the company, and these may be obtained from or inspected ASIC's office.
- 5.15 Hamilton Securities will provide free of charge to any person who requests it before the B Class Options are issued under this Prospectus, a copy of:
- (a) Hamilton Securities' financial statements for the half year ended 31 December 2009, lodged with NSX on 12 March 2010; and
 - (b) any documents released to NSX in accordance with the company's continuous disclosure obligations under the NSX Listing Rules and the Corporations Act before the lodgement of this Prospectus with ASIC.
- 5.16 As Hamilton Securities was incorporated on 14 July 2009, after the end of the financial year ended 30 June 2009, an annual financial report in respect of that financial year is not available as at the date of this Prospectus. An annual financial report will be prepared in respect of the year ending 30 June 2010. A list of the releases referred to in Section 5.15(b) is set out in Annexure A.
- 5.17 Requests for documents should be directed to Melanie Holmes, Company Secretary, at Hamilton Securities (telephone +612 4920 2877). These documents are also available free of charge on Hamilton Securities' website: www.hamsec.com.au.

Interests of advisers

- 5.18 Other than as set out below, no person named in this Prospectus as providing professional or advisory services in connection with the preparation of this Prospectus, or any firm of which any such person is a partner:
- (a) has or had at any time during the two years preceding the date of the Prospectus, any interest in the formation or promotion of the company, or in any property acquired or proposed to be acquired by the company, or the Bonus Issue; or
 - (b) has been paid or has agreed to be paid any amount or given or agreed to be given any other benefit for services rendered by them in connection with the formation or promotion of the company or the making of the Bonus Issue.

Directors' authorisation

- 5.19 All Directors have consented to the lodgement and issue of this Prospectus, and have not withdrawn their consent prior to lodgement of this Prospectus.

6. Definitions

A Class Share means a fully paid A Class non-voting ordinary share in the capital of Hamilton Securities.

B Class Option means one option to acquire one B Class Share exercisable at \$1.00 until 30 November 2019.

B Class Optionholder means a person registered as the holder of a B Class Option.

B Class Share means a fully paid B Class ordinary share in the capital of Hamilton Securities.

Bid means Hamilton Securities' takeover bid for all the Debentures.

Bonus Issue means the bonus issue of B Class Options by the Company.

CHESS means the Clearing House Electronic Subregister System.

Corporations Act means *Corporations Act* 2001 (Cth).

Debentures means the debentures issued by Align Funds Management Limited (ACN 105 684 231) in its capacity as responsible entity of the Trust (ASX code: TODHA).

Directors means the directors of the company.

Eligible Shareholder means a Shareholder who is a registered holder of an A Class Share or a B Class Share as at the Record Date.

Hamilton Securities or *company* means Hamilton Securities Limited (ACN 138 270 201).

NSX means the National Stock Exchange of Australia.

NSX Listing Rules means the official rules of the NSX.

Record Date means 7.00pm on 16 April 2010.

Shareholder means a person registered as the holder of an A Class Share or a B Class Share.

Timbercorp means Timbercorp Limited (ACN 055 185 067) (Administrators Appointed).

Trust means the Timbercorp Orchard Trust (ARSN 106 557 297) (Receivers and Managers Appointed).

Annexure A

List of Hamilton Securities' Announcements on NSX

Date	Announcement
4 May 2010	Number of A Class Shares and B Class Options to be issued following close of Bid Period
3 May 2010	Acceptances Update
27 April 2010	Change in Director's Interest Notice
20 April 2010	Application for quotation of A Class Shares issued under takeover bid for the debentures in the Timbercorp Orchard Trust
31 March 2010	Bonus Issue of B Class Options and On-market buy-back of A Class Shares
25 March 2010	Acceptances Update
25 March 2010	Final Extension of Offer Period
18 March 2010	Notices under sections 650F and 630(3) of the Corporations Act
12 March 2010	Half Yearly Report
23 February 2010	Acceptances Update
19 February 2010	Extension of Offer Period
16 February 2010	Acceptances Update
9 February 2010	Acceptances Update
5 February 2010	Acceptances Update
2 February 2010	Acceptances Update
29 January 2010	Acceptances Update Correction
28 January 2010	Acceptances Update
27 January 2010	Acceptances Update
15 January 2010	Dispatch of Bidder's Statement
7 January 2010	Supplementary & Replacement Bidders Statement
7 January 2010	Supplementary & Replacement Bidders Statement
7 January 2010	Supplementary & Replacement Bidders Statement
23 December 2009	Application for Quotation of Additional Securities
23 December 2009	Off-market takeover bid by Hamilton Securities Limited for the Debentures in the Timbercorp Orchard Trust
18 December 2009	Hamilton Securities announces takeover bid for the Debentures of Timbercorp Orchard Trust
9 November 2009	Top 20 Shareholders
29 October 2009	Initial Director's Interest Notice
29 October 2009	Initial Director's Interest Notice
29 October 2009	Initial Director's Interest Notice
29 October 2009	Initial Director's Interest Notice

Date	Announcement
29 October 2009	Initial Director's Interest Notice
22 October 2009	Amended Commencement of Quotation
16 October 2009	Commencement of Quotation
16 October 2009	Sponsoring Brokers Declaration
16 October 2009	Director's Declaration & Undertaking
16 October 2009	Issuers Undertaking
16 October 2009	Nominated Adviser's Declaration
16 October 2009	Constitution
16 October 2009	Replacement Prospectus
16 October 2009	Prospectus
16 October 2009	Listing Application
17 August 2009	Financial Services Guide
17 August 2009	Replacement Prospectus
5 August 2009	Prospectus



National Stock Exchange of Australia

NSX Newcastle

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Newcastle NSW, 2300

PO BOX 283, Newcastle, NSW, 2300

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NSX Melbourne

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Melbourne, VIC, 3000

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National Stock Exchange of Australia Limited

ABN: 11 000 902 063

Application for Quotation of Additional Securities

File Reference:

::ODMA\PCDOCS\SYDDMS\1110007\1



Table of Contents

INTRODUCTION	3
MORE INFORMATION AND SUBMISSION OF FORM:	3
NEW ISSUE ANNOUNCEMENT, APPLICATION FOR QUOTATION OF ADDITIONAL SECURITIES AND AGREEMENT	4
PART 1 - ALL ISSUES	4
PART 2 - BONUS ISSUE OR PRO RATA ISSUE	6
PART 3 - QUOTATION OF SECURITIES	8
ADDITIONAL SECURITIES FORMING A NEW CLASS OF SECURITIES	8
QUOTATION AGREEMENT	10





Introduction

To ensure the efficient processing of this form by NSX, please:

1. Adhere to the suggested number of the annexures required by this form.
2. Complete **all** statements and questions in this form. (NSX can provide an electronic version of this form on request).

More Information and Submission of Form:

Further information can be obtained from and all applications should be sent to:

General Manager
National Stock Exchange of Australia Limited
PO BOX 283
Newcastle NSW 2300

Phone: 61 2 4929 6377
Fax: 61 2 4929 1556
<http://www.nsga.com.au>



New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to NSX as soon as available. Information and documents given to NSX become NSX's property and may be made public.

Introduced 11 March 2004.

Name of entity

Hamilton Securities Limited

ABN/ACN

138 270 201

We (the entity) give NSX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | |
|---|---|
| 1 Class of securities issued or to be issued | Options to acquire fully paid B Class ordinary shares |
| 2 Number of securities issued or to be issued (if known) or maximum number which may be issued | 203,873 |
| 3 Principal terms of the securities (eg, if options, exercise price and expiry date; if partly paid securities, the amount outstanding and due dates for payment; if convertible securities, the conversion price and dates for conversion) | Options to acquire fully paid B Class ordinary shares exercisable at \$1.00 until 30 November 2019.

The B Class options the subject of this application will have the same principal terms as all existing B Class options on issue. |

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the securities will be offered	1 free B Class option will be issued for every 10 A Class Shares issued under the Company's takeover bid for the debentures in the Timbercorp Orchard Trust. The B Class Options will be distributed among eligible shareholders in proportion to the number of A Class Shares and B Class shares they hold as at the record date.
14	Class of securities to which the offer relates	B Class Options
15	Record date to determine entitlements	16 April 2010
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	NA
17	Policy for deciding entitlements in relation to fractions	Rounded up to the nearest whole number of B Class Options.
18	Names of countries in which the entity has security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with.</small>	Every country except Australia [and New Zealand].
19	Closing date for receipt of acceptances or renunciations	NA
20	Names of any underwriters	NA
21	Amount of any underwriting fee or commission	NA
22	Names of any brokers to the issue	NA
23	Fee or commission payable to the broker to the issue	NA



24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	NA
25	If the issue is contingent on security holders' approval, the date of the meeting	NA
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	17 May 2010
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	NA
28	Date rights trading will begin (if applicable)	NA
29	Date rights trading will end (if applicable)	NA
30	How do security holders sell their entitlements <i>in full</i> through a broker?	NA
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	NA
32	How do security holders dispose of their entitlements (except by sale through a broker)?	NA
33	Despatch date	17 May 2010





Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the securities are equity securities, the names of the 20 largest holders of the additional securities, and the number and percentage of additional securities held by those holders

36 If the securities are equity securities, a distribution schedule of the additional securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional securities

Entities that have ticked box 34(b)

38 Number of securities for which quotation is sought

39 Class of securities for which quotation is sought





40 Do the securities rank equally in all respects from the date of allotment with an existing class of quoted securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

NA

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

NA

42 Number and class of all securities quoted on NSX (including the securities in clause 38)

Number	Class
NA	



Quotation agreement

1 Quotation of our additional securities is in NSX's absolute discretion. NSX may quote the securities on any conditions it decides.

2 We warrant the following to NSX.

- The issue of the securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those securities should not be granted quotation.
- An offer of the securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any securities to be quoted and that no-one has any right to return any securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the securities to be quoted, it has been provided at the time that we request that the securities be quoted.
- If we are a trust, we warrant that no person has the right to return the securities to be quoted under section 1019B of the Corporations Act at the time that we request that the securities be quoted.

3 We will indemnify NSX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give NSX the information and documents required by this form. If any information or document not available now, will give it to NSX before quotation of the securities begins. We acknowledge that NSX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:

.....
(Director/Company secretary)

Date: 5th May 2010

Print name: Steven Pritchard