

16 November 2010

Dear Fellow Shareholder

### **Non-Renounceable Entitlement Offer**

This letter is to notify you that on 8 November 2010 Nomad Building Solutions Limited ACN 117 371 418 (**Nomad** or the **Company**) announced that it is seeking to raise approximately \$11,900,000 by undertaking a pro-rata non-renounceable entitlement offer to existing shareholders in Nomad (**Shareholders**) of 118,919,867 new fully paid ordinary shares (**Shares**) on the basis of 3 Shares for every 4 Shares held on the record date, at an offer price of \$0.10 per Share (**Entitlement Offer**).

### **Purpose of the Entitlement Offer**

Nomad has recently completed a successful placement of 20,420,486 Shares to institutions and sophisticated investors at \$0.12 each and has formally renewed its banking facilities with Westpac until 29 July 2011. The \$11.9 million from the Entitlement Offer, together with the \$2.4 million raised from the placement and the renewal of the Company's bank facilities, significantly enhances Nomad's financial position and is expected to boost Nomad's competitive position in securing additional contracts.

The primary purpose of the Entitlement Offer is to:

1. strengthen the Company's balance sheet;
2. provide general working capital;
3. facilitate the Company's participation in a range of identified core business opportunities; and
4. enable the Company to reduce its gearing levels should the Directors assess this to be appropriate.

### **Underwriting of the Entitlement Offer**

The Entitlement Offer is fully underwritten by Entrust Private Wealth Management Pty Ltd ABN 80 100 088 168 (**Underwriter**). The Underwriter will receive an underwriting fee of 3.5% of the amount raised and will be reimbursed for all reasonable costs and expenses of, and incidental to, the Entitlement Offer.

### **Prospectus and Entitlement Offer details**

Details of the Entitlement Offer are contained in a prospectus lodged with ASIC and ASX on 15 November 2010 (**Prospectus**) which is available from [www.nomadbuildingsolutions.com.au](http://www.nomadbuildingsolutions.com.au) or [www.asx.com.au](http://www.asx.com.au) by searching Nomad's ASX code "NOD". The Entitlement Offer is being made to Eligible Shareholders only (as described below) and the Company will be dispatching a Prospectus and Entitlement and Acceptance Form to Eligible Shareholders in accordance with the timetable below.

The Entitlement Offer is non-renounceable, which means that rights to participate in the offer, cannot be sold and therefore to the extent that shareholders entitled to participate in the offer do not take up their rights, those rights will lapse. Eligible Shareholders may also apply for additional New Shares over and above their entitlement.

The New Shares issued pursuant to the Entitlement Offer will rank equally in all respects from the date of allotment with existing fully paid ordinary shares. Fractional entitlements will be rounded up to the nearest whole new share.

## Timetable

The new Shares will be offered via the Entitlement Offer in accordance with the following timetable:

Lodgement of Prospectus for the Entitlement Offer	Monday, 15 November 2010
"Ex date"	Thursday, 18 November 2010
Record Date	5.00pm (WST) Wednesday, 24 November 2010
Entitlement Offer Opening Date	Thursday, 25 November 2010
Entitlement Offer Closing Date	Thursday, 9 December 2010
Issue of New Shares	Monday, 20 December 2010

All dates are subject to change and accordingly are indicative only. The Company reserves the right, subject to the Corporations Act and the ASX Listing Rules, to amend this indicative timetable and in particular, to extend the Closing Date or to withdraw the Entitlement Offer without prior notice. Any extension of the Closing Date will have a consequential effect on the date of allotment and issue of New Shares.

The ASX Listing Rules (**Listing Rules**) require the Company to provide you with certain information as part of the procedure under the Entitlement Offer. This notice contains all the information required by Appendix 3B of the Listing Rules.

### Eligible Shareholders

Shareholders registered as holders of shares at the Record Date with a registered address in Australia or New Zealand are entitled to participate in the Offer (**Eligible Shareholders**). All shareholders with registered addresses in other jurisdictions are referred to as **Ineligible Shareholders**.

### Ineligible Shareholders

Ineligible Shareholders will not be entitled to participate in the Offer.

The Company has determined that it would be unreasonable on this occasion to extend the Offer to Ineligible Shareholders having regard to the number of securities held by Ineligible Shareholders and the costs of complying with the legal and regulatory requirements which would apply to an offer of securities to Ineligible Shareholders in various jurisdictions. We trust you understand the Company's position on this matter.

This notice does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The securities mentioned in this notice (**Securities**) have not been, and will not be, registered under the United States Securities Act of 1933 (**Securities Act**). Accordingly, the Securities may not be offered, exercised, taken up, transferred or sold in the United States in the absence of either registration or an applicable exemption from the registration requirements of the Securities Act. There will be no public offer in the United States.

You should consider the Prospectus in deciding whether to participate in the Offer. Anyone who wants to participate in the Offer will need to complete the application form that will be in, or will accompany, the Prospectus.

### Further Details

If you have any questions, please do not hesitate to contact us on +61 (0)8 9217 2333.

The directors of the Company urge you to read the Prospectus carefully and seek advice from your professional advisers if you have any questions.

Yours faithfully



Mr. Richard Blair  
Chairman