



SHARE PURCHASE PLAN

Further to the Company's half year results announcement earlier today, I am pleased to confirm details of the Company's forthcoming Share Purchase Plan (**Plan**).

The proceeds from the Plan will be used to reduce debt initially and enable the Company to take advantage of acquisition and other growth opportunities that may arise in the near term across the markets in which the Company operates.

The Plan will enable shareholders to take advantage of the current low share price of the Company, without the additional costs that are associated with on-market transactions.

Each Shareholder will be entitled to purchase up to \$5,000 of shares. The price for the shares will be at a 10% discount to the Volume Weighted Average Price of Hills Industries Limited Ordinary Shares for the 10 trading days up to and including 24 February 2009. The closing date for the Plan will be Wednesday 25 February 2008.

The Record Date for participation in the Plan is today, 4 February 2009. Offer documents relating to the Plan will be dispatched to Shareholders next week.

The Company is entitled to issue the Plan in addition to the Share Purchase Plan in April 2008 (**2008 Plan**) pursuant to relief granted by ASIC on 27 January 2009. The relief granted by ASIC allows the Company to issue a further Share Purchase Plan up to \$5,000.

Accordingly, even if you participated in the 2008 Plan, you are entitled to participate in the Plan.

The Directors of the Board of Hills Industries Limited have indicated their intention to participate in the Plan.

A handwritten signature in blue ink, appearing to read "Graham Twartz", with a long horizontal stroke extending to the right.

GRAHAM TWARTZ
MANAGING DIRECTOR

4 February 2009

Contact Details:
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