

FREEHILL  
HOLLINGDALE  
& PAGE

7 May 1999



Our ref JO'S:ARD:30D  
Phone 02 9225 5784  
File no 1944220  
Doc no SYDCP99127005.4

Mr Bob Alexander  
Australian Government Solicitor  
470 Northbourne Avenue  
DICKSON ACT 2602

By courier

Dear Mr Alexander

**Adelaide Brighton Limited**

We act for The Rugby Group PLC. Minter Ellison have asked us to forward to you the original of Rugby's Section 87B Undertaking in relation to the Adelaide Brighton matter.

We look forward to receiving a copy of the Undertaking executed by the ACCC in due course.

Yours faithfully  
FREEHILL HOLLINGDALE & PAGE  
per:

Tony Damian

Enc.

Copy: Ms Margaret Taylor, Minter Ellison (by facsimile, without attachment)

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SYDNEY MELBOURNE PERTH CANBERRA BRISBANE SINGAPORE HANOI HO CHI MINH CITY  
CORRESPONDENT OFFICE IN JAKARTA

## THE RUGBY GROUP plc

### TRADE PRACTICES ACT 1974 - SECTION 87B

#### UNDERTAKING

##### PERSON GIVING UNDERTAKING

This undertaking is given to the Australian Competition & Consumer Commission (the '**Commission**') by The Rugby Group plc ('**Rugby**') under Section 87B of the *Trade Practices Act 1974 (Cth)* (the '**Act**').

##### BACKGROUND

Adelaide Brighton Limited ACN 007 596 018 ('**ABL**') is an independent cement and lime producer in Australia, and owns and operates a number of cement facilities throughout Australia. It is a public company listed on the Australian Stock Exchange.

Cockburn Cement Limited ACN 008 673 470 ('**Cockburn**') is an independent cement and lime producer in Australia, and operates cement and lime facilities in Western Australia. It is owned by The Rugby Group plc ('**Rugby**'), a public company incorporated in England.

ABL has announced its intention to merge its cement and lime businesses with Rugby's Australian cement and lime operation, Cockburn, by:

- ABL acquiring Cockburn; and
- Rugby acquiring a controlling interest in ABL.

In addition and contemporaneously, all of the shares in Adelaide Brighton Cement Limited ACN 007 870 199 ('**ABCL**') held by Australian Cement Holdings Pty Limited ACN 001 085 561 ('**ACH**') will be cancelled, leaving ABL with ownership of all the issued shares in ABCL.

The parties have sought authorisation from the Commission for the proposed Merger under Section 88(9) of the Act, and offered to give this Undertaking to the Commission under Section 87B of the Act. The Commission informed the parties that the Commission would accept the undertaking under Section 87B of the Act in conjunction with its grant of authorisation.

##### DEFINITIONS

In this Undertaking:

'**ABCL Acquisition**' means the cancellation of all shares in ABCL held by ACH pursuant to an agreement between ABL, ABCL and ACH entered into on 30 March 1999.

'**Cockburn Acquisition**' means the acquisition by ABL of all of the issued shares in Cockburn.

'**Date of the Merger**' means the date upon which ABL completes the ABCL Acquisition and the Cockburn Acquisition and Rugby completes the Rugby Acquisition.

'**Merger**' means completion of each of the ABCL Acquisition, Cockburn Acquisition and Rugby Acquisition.

'**Rugby Acquisition**' means the acquisition by Rugby of approximately 55% of the issued shares in ABL.

**UNDERTAKING**

**1. Duration of Undertaking**

- 1.1 This Undertaking comes into effect on its execution by Rugby and its acceptance by the Commission, and ceases at the completion of the Merger in accordance with the terms of this Undertaking.
- 1.2 If Rugby does not proceed with the sale of shares in Cockburn to ABL, this Undertaking will be of no force and Rugby will be released from any obligations which would otherwise arise from this Undertaking.

**2. Interdependence of the Transactions**

- 2.1 Rugby undertakes that:
  - (i) it will not proceed with the Rugby Acquisition otherwise than contemporaneously with the ABCL Acquisition and the Cockburn Acquisition;
  - (ii) it will not complete the Rugby Acquisition otherwise than contemporaneously with completion of the ABCL Acquisition and the Cockburn Acquisition.

**3. Reporting**

- 3.1 Rugby will give the Commission written notice of the Date of the Merger within 2 Business Days of that date;
- 3.2 Rugby will provide promptly to the Commission (in confidence) all information reasonably requested by the Commission which is relevant to verifying Rugby's compliance with this Undertaking.

EXECUTED on 29 April 1999

Signed for  
**The Rugby Group PLC**  
 by its attorney (who hereby states that  
 at the time of executing this instrument  
 he has no notice of the revocation of  
 the power of attorney under the authority  
 of which he has executed this instrument)  
 in the presence of:

*D. McAteer*

Witness

DJC MCA TEER

Name (please print)

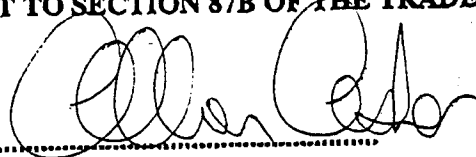
*P. C. Crowley*

Attorney

P. C. CROWLEY

Name (please print)

ACCEPTED BY THE AUSTRALIAN COMPETITION AND CONSUMER COMMISSION  
PURSUANT TO SECTION 87B OF THE TRADE PRACTICES ACT 1974



.....  
Allan Asher  
Acting Chairperson

This <sup>30<sup>th</sup></sup> day of <sup>April</sup> 1999