



IFC Capital Limited
ACN 087 737 068
Suite 3 Level 12, 2 Bligh St Sydney NSW 2000

22 October 2008

Option holder
IFC Capital Limited

Dear Sir/Madam,

Upcoming Rights Issue and your Options

As announced to the ASX on 29 August 2008, IFC Capital Limited (**IFC Capital** or **Company**) intends to raise capital via a pro-rata, non-renounceable 1 for 3.5 rights issue of ordinary shares at an issue price of \$0.10 per share (**Offer**). The Company proposes to raise a total of up to \$1,385,328.20 from the issue of 13,853,282 new shares under the rights issue (assuming none of the current option holders exercise their options before the record date).

The Offer will be available to shareholders with registered addresses in Australia, New Zealand and Hong Kong on the record date. The record date is 7.00pm (AEST) on 30 October 2008. The offer will be made without a prospectus in accordance with section 708AA of the *Corporations Act 2001* (Cth). Offers of shares will be made in an Offer Document to be sent to shareholders. Shareholders eligible to participate in the Offer will need to fill out an Entitlement and Acceptance Form accompanying the Offer Document.

Currently IFC Capital has you on record as a holder of options to subscribe for shares in the Company. You will not be able to participate in the rights issue in respect of these options unless the options are exercised and you are registered as a holder of the underlying shares prior to the record date. You may exercise your options by following the instructions in accordance with the terms of issue of your options.

If you are currently an ordinary shareholder in IFC Capital you will be able to participate in the rights issue by filling out your Entitlement and Acceptance Form that will accompany the Offer Document. A copy of the Offer Document will be mailed to shareholders as at the record date by 6 November 2008 or you may wish to download it from the Company website or the ASX website. You will also be eligible to apply for any shortfall by filling out the Entitlement and Acceptance Form.

The offer closes at 5.00pm (AEST) on 20 November 2008.

If you have any questions relating this rights issue please contact the Company Secretary Ian Bangs on (02) 9994 0240 during business hours.

Yours Sincerely,

Alan S Jones
Chairman