



IFC Capital Limited
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22 October 2008



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Dear Shareholder,

IFC Capital Limited Rights Issue

IFC Capital Limited (**IFC Capital** or **Company**) lodged an offer document with the ASX on 22 October 2008 in relation to its pro-rata non-renounceable rights issue to raise up to approximately \$1.39 million from the issue of approximately 13,853,282 shares (assuming no options are exercised before the record date) (**Rights Issue**). A copy of the offer document is available on the ASX website or the Company's website.

The offer document contains an offer to holders of ordinary shares in the Company with registered addresses in Australia, New Zealand and Hong Kong to subscribe for fully paid ordinary shares in IFC Capital on the basis of 1 new share for every 3.5 shares held on the record date at an issue price of \$0.10 per share.

The offer applies to shareholders with registered addresses in Australia, New Zealand and Hong Kong as at the record date, being 7.00pm (AEST) on 30 October 2008. Existing option holders will not be entitled to participate in the offer unless they have exercised their options and their shares have been issued on or before the record date. Notice of the offer was sent separately to option holders on 22 October 2008.

The Company considers it would be unreasonable to extend the offer to shareholders in jurisdictions outside Australia, New Zealand and Hong Kong, having regard to the small number of such shareholders, the small number and value of securities that would be offered in such jurisdictions and the costs of complying with legal and regulatory requirements in those jurisdictions. The entitlement that would otherwise have been offered to shareholders with a registered address outside of Australia, New Zealand and Hong Kong will become part of the shortfall available for subscription by shareholders who wish to subscribe for shares in addition to their full entitlement.

The proceeds of the offer will be applied towards the ongoing costs of rezoning the land owned by IFC Capital at Cranebrook, New South Wales and working capital for the IFC Capital group. The costs of conducting the offer will also be paid out of the proceeds.

Assuming all new shares are issued and no shares are issued as a result of the exercise of the existing options, the principal effect of the issue will be the number of shares on issue will increase to approximately 62,339,773.

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The Rights Issue is fully underwritten by LINWAR Securities Pty Limited ACN 103 183 606 (**Underwriter**) and fully sub-underwritten by Sun Hung Kai Investment Services Ltd (**Sub-underwriter**). The Sub-underwriter has agreed to subscribe for any shortfall of shares not subscribed for by eligible shareholders pursuant to the offer. The Underwriter will receive an underwriting fee equal to 6% of the total amount raised under the offer. The Underwriter is responsible for paying all sub-underwriting fees and any other costs and expenses the Underwriter may incur in connection with the offer.

The offer document and the accompanying Entitlement and Acceptance Form will be mailed out on 6 November 2008 to shareholders registered as at the record date. If you are in doubt as to the course you should follow, you should consult your stockbroker, solicitor, accountant or other professional adviser immediately.

Indicative Timetable*

The key dates for the Rights Issue are set out in the table below.

Event	Date
Announcement of Offer	22 October 2008
Lodgement of Offer Document with ASX	22 October 2008
Shares trade <i>ex-rights</i>	24 October 2008
Record Date to determine entitlements to the New Shares	30 October 2008
Offer Document and Entitlement and Acceptance Forms Despatched	6 November 2008
Closing date for acceptance and payment of subscription price	20 November 2008
Statements for New Shares expected to be despatched by no later than	28 November 2008
Normal trading of New Shares on the ASX	1 December 2008

*All dates are indicative and subject to change. IFC Capital reserves the right to amend the timetable without prior notice. Any extension of the Closing Date will have a consequential effect on the date of issue of the new shares.

Like all investments in the share market, there pertains a certain amount of risk. The directors urge you to carefully read the offer document and the accompanying Entitlement and Acceptance Form in conjunction with all publicly available information relating to the Company before deciding whether to subscribe for new shares.

The offers of the shares will be made in the offer document. Eligible shareholders who wish to acquire the shares will need to complete the Entitlement and Acceptance form that will accompany the offer document.

If you have any questions in respect of the rights issue please contact the Company Secretary, Ian Bangs on (02) 9994 0240.

Yours faithfully,



Alan S Jones
Chairman