

5 November 2004

ASX Online  
Australian Stock Exchange Limited  
20 Bridge Street  
SYDNEY NSW 2000

Release by eLodge

Please find attached the following:

- Appendix 3B
- Annexure A to the above.

Yours sincerely



Stephen Donnelley  
Managing Director  
0418 266 844

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

National Hire Group Limited

ABN

61 076 688 938

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |                             |
|---|--|-----------------------------|
| 1 | <sup>+</sup> Class of <sup>+</sup> securities issued or to be issued   | ordinary shares             |
| 2 | Number of <sup>+</sup> securities issued or to be issued (if known) or maximum number which may be issued  | 412,723,100 ordinary shares |
| 3 | Principal terms of the <sup>+</sup> securities (eg, if options, exercise price and expiry date; if partly paid <sup>+</sup> securities, the amount outstanding and due dates for payment; if <sup>+</sup> convertible securities, the conversion price and dates for conversion) | ordinary shares             |

<p>4 Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>Yes</p>
<p>5 Issue price or consideration</p>	<p>173,333,333 ordinary shares issued as consideration for the acquisition of 100% of the shares in Allight Holdings Pty Ltd (ACN 070 926 555)</p> <p>125,104,053 ordinary shares issued as consideration for the acquisition of assets used in business owned and operated by WesTrac Pty Ltd in Western Australia under the name "WesTrac The Cat Rental Store"</p> <p>Placement of 114,285,714 ordinary shares at \$0.35 cash per share</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Consideration for the acquisition of 100% of the shares in Allight Holdings Pty Ltd (ACN 070 926 555) (173,333,333 ordinary shares)</p> <p>Consideration for the acquisition of assets used in business owned and operated by WesTrac Pty Ltd in Western Australia under the name "WesTrac The Cat Rental Store" (125,104,053 ordinary shares)</p> <p>Placement of 114,285,714 ordinary shares at \$0.35 cash per share, to provide funds to: (a) increase the product range and inventory size of the company's equipment hire fleet; and (b) pay transaction costs and for general working capital purposes.</p>
<p>7 Dates of entering <sup>+</sup>securities into uncertificated holdings or despatch of certificates</p>	<p>To be advised</p>

8	Number and <sup>+</sup> class of all <sup>+</sup> securities quoted on ASX ( <i>including</i> the securities in clause 2 if applicable)	Number	<sup>+</sup> Class
		580,213,897	ordinary shares
		4,708,334	convertible notes

9	Number and <sup>+</sup> class of all <sup>+</sup> securities not quoted on ASX ( <i>including</i> the securities in clause 2 if applicable)	Number	<sup>+</sup> Class
		600,000	options in respect of ordinary shares

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	See Annexure "A" (section 5.12 of the Information Memorandum)
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## Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	Not applicable
12	Is the issue renounceable or non-renounceable?	Not applicable
13	Ratio in which the <sup>+</sup> securities will be offered	Not applicable
14	<sup>+</sup> Class of <sup>+</sup> securities to which the offer relates	Not applicable
15	<sup>+</sup> Record date to determine entitlements	Not applicable
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable
17	Policy for deciding entitlements in relation to fractions	Not applicable
18	Names of countries in which the entity has <sup>+</sup> security holders who will not be sent new issue documents	Not applicable

Note: Security holders must be told how their entitlements are to be dealt with.

19	Closing date for receipt of acceptances or renunciations	Not applicable
20	Names of any underwriters	Not applicable
21	Amount of any underwriting fee or commission	Not applicable
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of <sup>+</sup> security holders	Not applicable
25	If the issue is contingent on <sup>+</sup> security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	Not applicable
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable
30	How do <sup>+</sup> security holders sell their entitlements <i>in full</i> through a broker?	Not applicable
31	How do <sup>+</sup> security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable
32	How do <sup>+</sup> security holders dispose of their entitlements (except by sale through a broker)?	Not applicable

33 <sup>+</sup>Despatch date

Not applicable

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

(a)  Securities described in Part 1

(b)  All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

#### Entities that have ticked box 34(a)

##### Additional securities forming a new class of securities

Not applicable

*Tick to indicate you are providing the information or documents*

35  If the <sup>+</sup>securities are <sup>+</sup>equity securities, the names of the 20 largest holders of the additional <sup>+</sup>securities, and the number and percentage of additional <sup>+</sup>securities held by those holders

36  If the <sup>+</sup>securities are <sup>+</sup>equity securities, a distribution schedule of the additional <sup>+</sup>securities setting out the number of holders in the categories

1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

37  A copy of any trust deed for the additional <sup>+</sup>securities

#### Entities that have ticked box 34(b)

38 Number of securities for which <sup>+</sup>quotation is sought

Not applicable

39 Class of <sup>+</sup>securities for which quotation is sought

Not applicable

40 Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

Not applicable

Not applicable

Not applicable

Not applicable

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

Not applicable

Not applicable

42 Number and <sup>+</sup>class of all <sup>+</sup>securities quoted on ASX (*including* the securities in clause 38)

Number	<sup>+</sup> Class
Not applicable	Not applicable

## Quotation agreement

1       <sup>+</sup>Quotation of our additional <sup>+</sup>securities is in ASX's absolute discretion. ASX may quote the <sup>+</sup>securities on any conditions it decides.

2       We warrant the following to ASX.

- The issue of the <sup>+</sup>securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those <sup>+</sup>securities should not be granted <sup>+</sup>quotation.
- An offer to the <sup>+</sup>securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any <sup>+</sup>securities to be quoted and that no-one has any right to return any <sup>+</sup>securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the <sup>+</sup>securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the <sup>+</sup>securities to be quoted, it has been provided at the time that we request that the <sup>+</sup>securities be quoted.
- If we are a trust, we warrant that no person has the right to return the <sup>+</sup>securities to be quoted under section 1019B of the Corporations Act at the time that we request that the <sup>+</sup>securities be quoted.

3       We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4       We give ASX the information and documents required by this form. If any information or document not available now, we will give it to ASX before <sup>+</sup>quotation of the <sup>+</sup>securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Date: 5 November 2004

Company Secretary

Print name:       Ray Harman



**NATIONAL HIRE GROUP LIMITED**  
**ACN 076 688 938**  
**ANNEXURE "A"**

This is Annexure "A" of 1 page referred to in Appendix 3B "New issue announcement, application for quotation of additional securities and agreement"

**5.12 Dividend Policy**

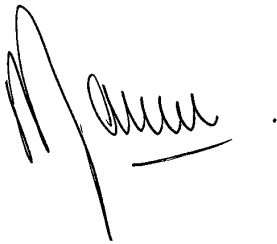
It is the current intention of the Directors to pay a fully franked dividend for the six months ending 30 June 2005, based upon a payout ratio of approximately 50% of net profit after tax for that period. This dividend is expected to be paid in October 2005.

Thereafter, it is the current intention of the Directors, subject to the matters referred to in the paragraph below, to resume regular semi-annual dividend payments, targeting a payout ratio of approximately 50% of net profit after tax.

The payment of dividends by National Hire in the future including any dividends for the year ending 30 June 2005 will be at the complete discretion of the Directors and will depend upon the availability of distributable profits and the Company's franking credit position, operating performance against the Directors' Forecasts, compliance with covenants of primary financiers, available cash flow, financial condition, outlook, taxation position and future capital requirements as well as general business and financial conditions and any other factors the Directors may consider relevant. Therefore, the Directors can give no assurance regarding the payment of dividends, the level of franking of such dividends or the extent of payout ratios for the year ending 30 June 2005 or for any future period.

It is intended that dividends will be franked to the extent possible given available franking credits.

Investors should note that dividends paid or payable cannot be greater than total distributable profits under the Corporations Act.

A handwritten signature in black ink, appearing to read 'Ray Harman', with a horizontal line underneath the name.

Ray Harman

5 November 2004