



Third Supplementary Target's Statement

IN RESPONSE TO THE INCREASED CASH OFFERS BY THE AUSTRAL BRICK CO PTY LTD FOR BRISTILE SHARES

1 Preliminary

1.1 Nature of document

This document is a supplementary target's statement dated 18 July 2003 under section 644 of the Corporations Act in relation to the takeover offer by The Austral Brick Co Pty Ltd, a wholly owned subsidiary of Brickworks Limited (*Third Supplementary Target's Statement*).

This Third Supplementary Target's Statement supplements and is to be read together with Bristile Ltd's Target's Statement dated 4 April 2003, Supplementary Target's Statement dated 7 May 2003 and Second Supplementary Target's Statement dated 16 June 2003. This is the Third Supplementary Target's Statement lodged with ASIC in relation to Austral's Offer. This Third Supplementary Target's Statement will prevail to the extent of any inconsistency with the Target's Statement, the Supplementary Target's Statement or the Second Supplementary Target's Statement.

1.2 Defined Terms

Words defined in the Target's Statement have the same meaning in this Third Supplementary Target's Statement, unless the contrary intention appears.

1.3 No account of personal circumstances

This Third Supplementary Target's Statement does not take into account the individual objectives, financial situation and particular needs of Bristile shareholders. It does not contain personal advice. The Independent Directors of Bristile encourage Bristile shareholders to seek independent financial and taxation advice before making a decision as to whether or not to accept the Offer.

1.4 Lodgement with ASIC

A copy of this Third Supplementary Target's Statement was lodged with ASIC on 18 July 2003. Neither ASIC nor any of its officers takes any responsibility for the contents of this Third Supplementary Target's Statement.

2 Letter to Bristile shareholders

Attached as annexure A to this Third Supplementary Target's Statement is a copy of a letter dated 10 July 2003 from the Managing Director of Bristile, Mr David Gilham, which was sent to Bristile shareholders recently and which accompanied Brickworks' Fourth Supplementary Bidder's Statement. The letter gives details of Austral's increased offer and the revised recommendation of the Independent Directors of Bristile that shareholders accept Austral's increased offer.

3 Changes to issued capital

As a result of the exercise of all 1,283,334 Bristile Options on issue under the Executive Option Plan, the issued capital of Bristile as at the date of this Third Supplementary Target's Statement consisted of 151,537,717 fully paid ordinary shares.

4 Change to estimated takeover defence costs

Included in the Target's Statement at section 2.4(c)(4) was a statement that takeover defence costs were expected to total approximately \$700,000. Since 4 April 2003, the date of the Target's Statement, the Offer has been extended several times and the Offer terms have been considerably improved for Bristile shareholders. As a consequence, additional costs and adviser success fees have been incurred. Takeover costs for Bristile are now expected to total approximately \$5.0 million.

5 Class order

As contemplated by ASIC Class Order 01/1543 this Third Supplementary Target's Statement contains statements which are made in, or based on statements made in, documents lodged with ASIC or given to the ASX, or announced on the Company Announcements Platform of the ASX by Bristile and Brickworks. Pursuant to the Class Order, the consent of the makers of the statements is not required for the inclusion of such statements in this Third Supplementary Target's Statement. Any Bristile shareholder who would like to receive a copy of any of those documents may obtain a copy (free of charge) during the Offer Period by contacting the Bristile Shareholder Information Line on 1300 733 434 (callers in Australia) or + 61 2 9240 7451 (international callers). Any phone calls to this number will, as required by the Corporations Act, be tape recorded.

6 Authorisation

This Third Supplementary Target's Statement was approved by a resolution passed by the Directors of Bristile.

Dated: 18 July 2003

Signed for and on behalf of Bristile:



Ian C Kuba
Chairman

Annexure A



10 July 2003

Dear Shareholder

Recommendation: ACCEPT BRICKWORKS' INCREASED CASH OFFER

As previously advised to you, The Austral Brick Co Pty Limited, a wholly owned subsidiary of Brickworks Limited, ("Brickworks") has agreed to increase the offer price under its takeover offer for Bristile Ltd to \$3.65 cash per share.

Furthermore, and in agreement with Brickworks, Bristile has declared dividends totalling 22.5 cents per share to be paid on 31 July 2003. These dividends will be fully franked. The record date for the dividends is 18 July 2003 and the shares will trade ex-dividend on the Australian Stock Exchange from the commencement of trading on Monday, 14 July 2003.

In the absence of a higher offer, your Independent Directors now recommend that shareholders accept Brickworks' revised offer and will be accepting the offer in respect of their own shares.

The previous recommendation of your Independent Directors in a letter dated 1 July 2003 was to accept the offer after 19 July 2003 to ensure you became entitled to the benefit of the franked dividends. Brickworks have now been granted a modification of the Corporations Act and have announced that shareholders whose acceptance is received by Brickworks' share registry (Computershare Investor Services in Sydney) on or before the close of business on 18 July 2003 will receive an additional 22.5 cents per share as part of their consideration. This additional payment will not have any franking credits attached to it. If your acceptance is received by Brickworks' share registry after the close of business on 18 July, you will not get the additional consideration payment of 22.5 cents per share but you will get the 22.5 cents per share dividend that, being fully franked, will come with associated franking credits.

While many, if not most, shareholders are likely to be better off on an after tax basis accepting after 19 July, you should seek your own professional financial or tax advice as to whether you should accept the offer before or after 19 July 2003.

If you have already accepted Brickworks' offer, you will automatically receive the increased cash offer of \$3.65 per share as well as the additional 22.5 cents per share payment.

Reasons for recommending acceptance of offer

Your Independent Directors now recommend that Bristile shareholders accept Brickworks' increased offer for the following reasons.

Total cash payments of \$3.875 per share

Shareholders who accept Brickworks' increased offer will receive total cash payments (Total Cash Payments) of \$3.875 per Bristile Share, consisting of a \$3.65 Offer Price plus either fully franked dividends of 22.5 cents per share or an additional consideration payment of 22.5 cents per share.

Offer consideration now fair and reasonable

Following a negotiated increase in the offer price together with the payment of a 22.5 cents per share fully franked dividend or additional payment, your Independent Directors now consider Brickworks' increased offer to be fair and reasonable. The Total Cash Payments of \$3.875 exceeds the valuation range of Grant Samuel (the Independent Expert) of \$3.45 to \$3.82 stated in the Target's Statement.

Payment certain

As Brickworks' offer is unconditional, accepting shareholders will receive payment of the \$3.65 offer price from Brickworks within 7 days of your acceptance being received. The 22.5 cents per share dividend or additional payment is payable on 31 July 2003 or soon after.

No Higher Offer

Since Brickworks announced its takeover offer for Bristile, no other prospective bidder has indicated that they will make a higher takeover offer for Bristile.

Consequences for minority shareholders

If Brickworks becomes entitled to more than 50% but less than 90% (which is required for compulsory acquisition) of Bristile's shares your Independent Directors believe this would have the following consequences for shareholders who do not accept Brickworks' offer:

- Brickworks will have a controlling interest in Bristile;
- the liquidity of Bristile shares may be lower than at present;
- future Bristile dividend policy will be determined by Brickworks and may not be maintained at current levels; and
- following the conclusion of Brickworks' offer, Bristile's share price on ASX may fall.

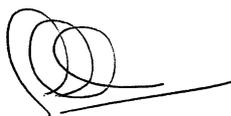
Brickworks has indicated in its Bidder's Statement that it will compulsorily acquire your shares as provided for in the Corporations Act should it, together with its associates, gain a relevant interest in at least 90% of the Bristile Shares.

Brickworks' offer is now due to close on Friday, 1 August 2003 at 7.00pm (Sydney time).

The Fourth Supplementary Bidder's Statement from Brickworks is enclosed with this letter. Bristile will issue a formal supplementary target's statement to the ASX detailing the above matters within the next few days.

You should call Bristile's toll free shareholder enquiry line on 1300 733 434 (or +61 2 9240 7451 for international callers) if you require further information.

Yours faithfully



DAVID GILHAM
Managing Director