



OLDFIELDS HOLDINGS LIMITED

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Terms of upcoming Rights Issue and confirmation of expected final dividend.

As per the announcement on the 27th of May 2005 regarding the upcoming proposed rights issue, Oldfields is pleased to announce that it intends to lodge a prospectus with ASIC on or around the 15th of June 2005.

The proposed issue will be a fully underwritten pro-rata non-renounceable rights issue to raise proceeds of \$1,040,637.40. This amount will be fully underwritten by the directors of the Company. The proceeds will be used to retire some debt, to assist the building and commissioning of new plant in China for paint application products for Oldfields' Chinese joint venture, and as additional working capital.

The Company is offering 1,300,797 shares for subscription under the rights issue, on the basis of 1 new share for every 8 Shares held on the record date. The subscription price for each new share will be \$0.80. The directors believe the offer is attractively priced, and encourage shareholders to take up their entitlements.

The record date for determining shareholders entitled to participate in the issue is scheduled to be 7.00pm EST, 23 June 2005. It is expected that a prospectus will be posted to shareholders containing full details of the rights issue by 27 June 2005. The offer is expected to close on 11 July 2005.

On 28 February 2005 the Directors announced the unfranked dividend for the financial year ending 30 June 2005 was anticipated to be in the range of 3.5 to 4.0 cents per Share.

We are pleased to confirm that an unfranked dividend of 3.5 cents per share will be payable to all shareholders for the half year ending 30th June 2005. This signifies a 16.67% increase on the dividend payment for each Share for the corresponding half year period ending 30 June 2004. The dividend will apply to all Shares on issue as at the record date to be announced in August 2005, and will be payable in respect of all the new shares issued as a result of the rights issue.

The offer will be open to all shareholders registered in Australia and New Zealand and in the event of any under-subscriptions, those remaining shares will be available, at the discretion of the directors, to all shareholders who accept their entitlement in full and apply for additional shares, and any other person in Australia.

A prospectus will be made available when the shares under the rights issue are offered. Anyone who wishes to acquire the shares will need to complete the application form that will accompany the prospectus. It is expected that a copy of the prospectus will be posted to the company's website. www.oldfields.com.au. This website is currently under development to enable Shareholders to access company news letters, annual reports, policy and announcements.



Anthony Mankarios
Managing Director

15 June 2005