

21 May 2007

The Manager
Australian Stock Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

Strategic Finance announces intention to offer up to NZ\$50 million perpetual preference shares

Please find attached an announcement made by Strategic Finance Limited (SFL) to the NZX of its intention to offer to New Zealand resident investors up to NZ\$50 million perpetual preference shares. SFL is an indirectly wholly owned subsidiary of Allco HIT Limited (ASX: AHI).

Yours sincerely
Allco HIT Limited



Tom Lennox
Company Secretary

For further information, contact:

Alexandra Ballard
Investor Relations Manager, External Relations
Allco Finance Group
Tel: + 61 2 9255 0092

About Allco HIT Limited

Allco HIT Limited (AHI) is a diversified finance company newly listed on the Australian Stock Exchange (ASX:AHI). AHI's primary objective is to build a portfolio of diversified revenue streams that will provide consistent earnings delivered through exposure to different geographies, asset classes and sectors within the financial services industry.

Initially, AHI will develop, own and operate a diverse group of businesses that provide asset financing and property-related lending services in Australia and the Asia Pacific. AHI will also build an investment portfolio of mezzanine loans and subordinated debt instruments, specifically in the asset & equipment finance; property finance and financial asset sectors.

ASX RELEASE

Strategic Finance announces intention to offer up to \$50 million perpetual preference shares

The Board of Strategic Finance Limited ("Strategic Finance") is pleased to announce that it is considering making an offer of up to \$50 million perpetual preference shares ("Preference Shares") (the "Offer"). Forsyth Barr Limited has been appointed Lead Manager and Organising Participant to the potential Offer.

The Offer will comprise an offer of up to \$40 million Preference Shares by way of firm allocation to NZX Primary Market Participants and other approved financial intermediaries, in addition to up to \$10 million of oversubscriptions. Oversubscriptions (to the extent accepted) which are not allocated firm will be available to the public via the Public Pool.

The Preference Shares will be perpetual, non-voting, fixed rate securities offering an imputed dividend rate which will be reset annually at a fixed margin above a benchmark rate, being the prevailing one year swap rate. The fixed margin will be set immediately prior to the open of the Offer, and is anticipated to be approximately 2.30-2.60%.

The Offer is expected to be underwritten to \$40 million by Forsyth Barr Group Limited.

It is currently envisaged that the Offer will open in early June, however the final decision to proceed with the Offer will be subject to market conditions and other factors prevailing at the time that the Offering is to proceed. No money is currently being sought and no applications for shares will be accepted or money received unless the subscriber has received an investment statement.