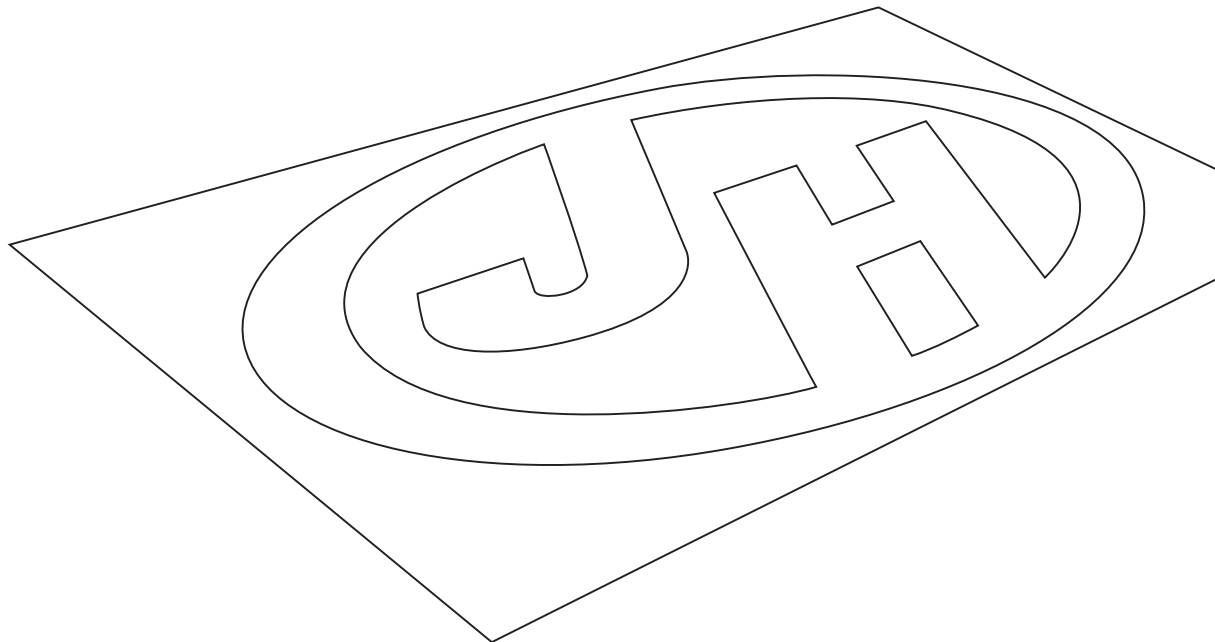




Notice of Scheme Meeting





James Hardie

Notice of Scheme Meeting of Holders of Ordinary Shares of James Hardie Industries Limited ABN 60 000 009 263

NOTICE IS GIVEN that in accordance with an order of the Supreme Court of New South Wales (the *Court*) made on 23 August 2001 pursuant to section 411(1) of the Corporations Act 2001 a meeting of ordinary shareholders of James Hardie Industries Limited (the *Company*) will be held at The Regent Sydney, 199 George Street, Sydney NSW, Australia on Friday, 28 September 2001 at 11.00 am for the purpose of considering and, if thought fit, passing the following resolution with or without any modification as may be permissible:

THAT pursuant to, and in accordance with, the provisions of section 411 of the Corporations Act 2001, the Scheme of Arrangement proposed to be entered into between the Company and the holders of fully paid ordinary shares in the Company to effect the transfer of all of the issued shares of the Company to James Hardie Industries N.V., as more particularly set out in the Information Memorandum accompanying this Notice, is agreed to (with or without modification as approved by the Supreme Court of New South Wales).

By Order of the Board

DE Cameron
Company Secretary
James Hardie Industries Limited

Date: 27 August 2001

Notes:

Material accompanying this notice

The resolution should be read in conjunction with the Information Memorandum which accompanies this Notice. Terms used in this Notice, unless defined herein, have the same meanings set out in the Glossary in Part F of the Information Memorandum.

A copy of the Scheme is contained in Part E of the Information Memorandum.

A personalised proxy form.

Voting and required majority

In accordance with section 411(4)(a) of the Corporations Act 2001, for the Scheme to be effective the resolution must be passed by:

- (a) a majority in number of holders of ordinary shares present and voting (either in person or by proxy); and
- (b) 75% of the votes cast on the resolution.

Voting by poll

Voting at the meeting will occur by poll only.

Court approval

In accordance with section 411(4)(b) of the Corporations Act 2001, the Scheme must be approved by order of the Court. If the resolution put to this meeting is passed in accordance with the requisite majorities set out above and the conditions precedent set out in the Scheme are satisfied or waived, the Company intends to apply to the Court for the necessary orders to give effect to the Scheme.

Voting entitlement

Pursuant to section 1109N of the Corporations Act 2001, the Company has determined that, for the purposes of this meeting, all shares in the Company shall be taken to be held by the persons who held the shares as registered shareholders at 7.00pm (Sydney time) on Wednesday, 26 September 2001 (*Entitlement Time*).

Proxies, attorneys and corporate representatives

- (a) Each holder of JHIL Shares as at the Entitlement Time is entitled to attend and vote at this meeting and cast one or more votes and may appoint not more than two persons to act as proxies to attend this meeting and vote in that member's stead.
- (b) Where more than one proxy is appointed, the proportion or number of votes each proxy may exercise must be specified. Where two proxies are appointed, a separate form should be used for each.
- (c) A proxy need not be a member of the Company.
- (d) The original proxy form personalised to you and attached to this Notice should be used for this meeting.

In the case of an individual, a proxy must be under the hand of the individual or his or her attorney duly authorised in writing and, in the case of a corporation, a proxy must be executed in accordance with the Corporations Act 2001.

Any member may by power of attorney appoint a person to act on his or her behalf and such power of attorney or an original certified copy thereof must be produced for inspection at the registered office of the Company as hereinafter provided.

Any corporation which is a member of the Company may appoint a representative to attend and vote for that corporation at this meeting. A certificate signed by two directors or a director and a secretary of the corporation, or under the common seal of that corporation witnessed by two directors or a director and a secretary of the corporation, or under the hand of its duly authorised officer or attorney, evidencing the appointment of a person as the representative of that corporation for the purposes of this meeting must be produced to the Chairman of this meeting before the time for holding this meeting, unless otherwise permitted by the Chairman of this meeting, or may be lodged at the registered office of the Company at any time prior to the commencement of this meeting or adjourned meeting in accordance with the instructions set out on the proxy form.

Proxies and powers of attorney (or original certified copies of powers of attorney) granted by shareholders must be delivered or posted to the registered office of the Company at Level 8, 65 York Street, Sydney NSW 2000, Australia, faxed on (02) 9262 5758 within Australia or (612) 9262 5758 outside Australia by 11:00am (Sydney time) on Wednesday, 26 September 2001 in accordance with the instructions set out on the proxy form.

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