



22 December 2006

Dear HLT Shareholder

I confirm that in accordance with recent guidance from the Company that all shareholders be given the opportunity to acquire HLT shares at the price at which Quadrant Iridium Limited recently converted its loan to the Company into shares, the Board is proposing to undertake a pro-rata rights issue to all shareholders to raise up to \$3 million at \$0.0565. The precise details of the rights issue are currently being determined, and will be communicated to shareholders as soon as they have been finalised.

In the meantime, several shareholders have recently approached Directors to advise that they would be interested in underwriting or sub underwriting the proposed issue. We now request that any shareholders interested in doing so lodge formal expressions of interest in writing to the Company as soon as possible and no later than 19 January 2007.

We expect to be in a position to further update shareholders on these matters at the forthcoming annual general meeting of the Company on 11 January 2007.

Yours sincerely

A handwritten signature in black ink, appearing to read "A Legg".

Adam Legg
Director