



**CHARTER
PACIFIC**
Corporation Limited

A.B.N. 12 003 344 287

19 January 2009

Dear Shareholder,

Following the announcement at the Company's Annual General Meeting on 26 November 2008 of a bonus option issue I now enclose the Prospectus for the bonus option issue of shares in Charter Pacific Corporation Ltd.

The issue is for two year options exercisable at 12 cents each to all shareholders on the basis of nine bonus options for every ten shares held on the share register as at 2 February 2009. The options are issued at no cost to shareholders and application has been made to the Australian Securities Exchange (ASX) to have the options listed. Once the options are listed shareholders will be able to deal in the options the same as other listed securities. Details of the issue are set out in the enclosed Prospectus

Charter Pacific Corporation is undertaking this issue in recognition of the loyalty of our shareholders to the company. We remain very confident in the future growth prospects of Charter Pacific Corporation and look forward to sharing in its success with all of our shareholders.

Yours faithfully,

Brian Sprod
Chairman

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