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ASX RELEASE

Market Update

As outlined at the Company's AGM on 24 May 2010, the Board of Everest Financial Group (EFG) has been conducting a strategic review of the business and assessing multiple alternatives to maximise value for shareholders.

EFG Chairman Greg Martin said today: "Following the AGM, we have had various discussions with our shareholders about the best way forward for the business, especially in light of the recent volatility in world equity and debt markets, which now looks to be set to continue for some time."

The EFG Board has now decided to take immediate steps to further reduce operating costs. It will suspend all current growth and marketing initiatives until completion of the review.

Everest will focus its efforts on managing existing funds and further cost management initiatives wherever efficiency and fiduciary obligations allow.

As previously announced, the strategic review covers a wide range of alternatives with the aim of maximising the return to all shareholders. The review is considering merger and sale alternatives and business wind down scenarios, including capital management initiatives.

EFG expects its review to be completed by the end of June 2010.

Ends.

For further information please visit our website www.everest.com.au or contact:

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