

12 November 2010

ASX RELEASE

Notice of General Meeting

Everest Financial Group Limited (EFG) will hold a general meeting on Monday, 13 December 2010 in the Treasury Room, InterContinental Hotel, 117 Macquarie Street, Sydney NSW 2000 at 10.00 am.

The notice of meeting, accompanying explanatory statement and proxy form for the meeting are being mailed to shareholders today. Copies of these documents follow this announcement and are available on the Everest website at www.everest.com.au.

Ends.



NOTICE OF GENERAL MEETING & EXPLANATORY STATEMENT

Notice of general meeting and explanatory statement for Everest Financial Group Limited
(ABN 42 112 480 145)

Date of meeting:

13 December 2010

Time of meeting:

10.00 am

Place of Meeting:

The Treasury Room, Intercontinental Hotel, 117 Macquarie Street, Sydney

IMPORTANT NOTICE

This is an important document. Please read it carefully and in its entirety. If you do not understand it, you should consult your stockbroker, solicitor, accountant or other professional adviser without delay. If you are unable to attend the Meeting, please complete the Proxy Form enclosed and return it in accordance with the instructions.

Chairman's Letter

10 November 2010

Dear Shareholder

On 28 June 2010, the Company announced it intended to wind down its operations with a view to returning capital to Shareholders. Since that time, various steps have been taken to wind down the Company's funds management business.

In addition (and as previously announced to the market), Everest Capital Limited (**ECL**) a subsidiary of the Company, has also entered into a settlement of the Federal Court litigation between ECL, Mr Jeremy Reid, LJK Nominees Pty Ltd, BT Securities Limited and BT (Queensland) Pty Ltd. ECL has paid net \$1 million under the settlement. The settlement is otherwise confidential.

As a result of these steps, the Company now has cash that is surplus to its requirements and the Board proposes to make an initial return of capital to Shareholders between \$0.05 and \$0.0575 per Share. Further details of the resolution, the proposed return of capital and its effect are set out in the accompanying Explanatory Statement.

The Directors will continue to monitor the Company's cash requirements with a view to returning further capital and anticipate that the Company will be in a position to distribute all remaining capital to Shareholders during the next 6 - 12 months. In this regard, the Board anticipates that a further meeting of Shareholders will be called in due course to approve that final distribution.

The Directors recommend that Shareholders vote in favour of the resolution proposed in accompanying Notice of Meeting. The Directors intend to vote all shares controlled by them in favour of the resolution.

Before making any decision, the Board strongly encourages you to read the Notice of Meeting and Explanatory Statement accompanying this letter carefully and in full.

Yours faithfully,



Greg Martin
Chairman
Everest Financial Group Limited

Notice of Meeting

Everest Financial Group Limited (ABN 42 112 480 145) (**Company**) gives notice (**Notice** or **Notice of Meeting**) that a general meeting of members of the Company will be held:

at 10.00 am
on Monday, 13 December 2010
at The Treasury Room, Intercontinental Hotel, 117 Macquarie Street, Sydney

(the **Meeting**). The Meeting has been convened to enable Shareholders to consider the Resolution to which, if approved would allow a return of capital to be made to Shareholders.

An explanatory statement (**Explanatory Statement**) accompanies, and forms part of, this Notice of Meeting. The information contained in the Explanatory Statement is intended to assist Shareholders with how they vote on the Resolution.

Resolution: To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

“That approval is given for the Company to undertake an equal reduction of capital by means of a distribution to holders of fully paid ordinary shares in the Company of between \$0.05 and \$0.0575 per share (inclusive), such equal capital reduction to be made to holders of fully paid ordinary shares in the Company at 7.00 pm on the record date announced to the market for the distribution in the manner described in the explanatory statement accompanying this notice of meeting.”

Majority required: Section 256C(1) of the Corporations Act requires that an equal reduction of capital be approved by an ordinary resolution of Shareholders passed at a general meeting. As an ordinary resolution, the Resolution will be passed if at least 50% of the votes cast in person or by proxy by Shareholders at the meeting who are entitled to vote on the resolution are cast in favour of the resolution.

Voting exclusions: Nil.

**By order of the board of
EVEREST FINANCIAL GROUP LIMITED**

Date 10 November 2010

Signed



Michael Sutherland, company secretary of Everest Financial Group Limited

How to vote

Eligibility to vote

For the purposes of the Meeting, a Shareholder will be entitled to vote at the Meeting if they are recorded on the Company's register of Shareholders at 10.00 am on Saturday, 11 December 2010 (the **Voting Entitlement Date**). Accordingly, Share transfers registered after the Voting Entitlement Date will be disregarded in determining entitlements to attend and vote at the meeting.

Voting in person

If you are proposing to attend the Meetings and vote, there is no need for you to take any further action at this time.

Voting by corporate representative

Body corporate Shareholders should complete a "*Corporate Letter of Representation*" to enable a person to attend the Meetings on their behalf. A form of this certificate may be obtained from the Registrar by calling **1800 336 109** (in Australia) or **+61 2 8280 7691** (from overseas).

Voting by proxy

If you are not attending the Meetings and you wish to vote you must complete and lodge the enclosed Proxy Form. Any Shareholder entitled to attend and vote at the Meetings is entitled to appoint one or two proxies to attend and vote on their behalf. If two proxies are appointed, the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If two proxies are appointed and no proportion or number is specified, each proxy may exercise half of the votes. A proxy need not be a Shareholder. The Proxy Form contains voting instructions and other important information which you should read carefully.

To be effective, the Company must receive Proxy Forms (duly completed and with any necessary documentation) at least 48 hours prior to the Meeting, that is, by 10.00 am on Saturday, 11 December 2010. Proxy Forms may be returned by any of the following means:

- **On line** in the manner set out in the Proxy Form OR
- **By mailing** it to Link Market Services Limited using the reply paid envelope enclosed with this Booklet OR

Locked Bag A14
Sydney South
Sydney NSW 1235
AUSTRALIA

- **By faxing** it to:
02 9287 0309 (within Australia)
+61 2 9287 0309 (outside Australia) OR
- **By hand delivering** it to:
Level 12
680 George Street
Sydney NSW 2000
AUSTRALIA

Proxy Forms must be signed by a Shareholder or the Shareholder's attorney or, if the Shareholder is a body corporate, by two directors or by a director and secretary, or if the Shareholder is a proprietary company that has a sole director who is also the sole secretary (or has no secretary), by that director, or under hand of its attorney or duly authorised officer. If a proxy is signed by a Shareholder attorney, the power of attorney must have been previously noted by the Registrar or a certified copy thereof must also be received by 10.00 am on Saturday, 11 December 2010.

Explanatory Statement accompanying the Notice of Meeting

1. General

This Explanatory Statement and all attachments are important documents. They should be read carefully and in their entirety. If you have any questions regarding the matters set out in this Explanatory Statement or the Notice of Meeting, please contact your financial adviser or other professional adviser.

2. Definitions & interpretation

Capitalised words and expressions used in the Notice of Meeting and Explanatory Statement are defined throughout the Notice of Meeting and Explanatory Statement and/or in the Glossary in section 19 of the Explanatory Statement.

Unless otherwise stated, all references to sums of money, \$ and **dollars** are to Australian currency and all references to time are to Sydney time.

3. Purpose of the Explanatory Statement

The purpose of this Explanatory Statement is to:

- (a) explain the effect of:
 - (i) the resolution proposed in the Notice of Meeting (**Resolution**); and
 - (ii) the return of capital which would be made Shareholders if the Resolution is approved (**Return of Capital**); and
- (b) provide such information as prescribed in:
 - (i) the Corporations Act (including under section 256C) of the Corporations Act); and
 - (ii) the Listing Rules (including Listing Rule 7.20),

or as is otherwise, in the opinion of the Directors, material to the decision of Shareholders in deciding whether to approve the Resolution.

4. Background to the proposed Return of Capital

On 28 June 2010, the Company announced it intended to wind down its operations including the activities of its subsidiaries as responsible entity, trustee and manager of its underlying investment funds with a view to returning capital to Shareholders. That decision was made following a strategic review of the Company's business undertaken to consider and assess the multiple alternatives to maximise value for Shareholders.

Following that decision, the Company and its subsidiaries (**Everest Group**) commenced action to scale back their operations, including undertaking the following steps:

- (a) Everest Capital Limited (**ECL**), a subsidiary of the Company, entered into binding arrangements to transfer all of its units in the Everest Credit Opportunities Fund (**ECOF**) to various purchasers. The sale of ECL's units in ECOF completed on 12 October 2010 and generated cash proceeds. The net balance of these proceeds (after costs) in the amount of \$3,260,765.01 are expected to be distributed by ECL to the Company shortly. These proceeds are proposed to be distributed to Shareholders as part of the Return of Capital which would be made if the Resolution is approved at the Meeting.
- (b) On 13 July 2010, ECL entered into arrangements with financial services firm One Investment Group Pty Limited and certain of its subsidiaries (**OIG Group**) to transfer the trustee, responsible entity and management responsibilities in respect of various investment trusts managed by the Everest Group to members of the OIG Group,

subject to the satisfaction of certain conditions (including all requisite unitholder approvals and third party consents). As at the date of the Notice of Meeting, the Everest Group had transferred a majority of its functions to OIG Group. ECL and the Everest Group continue to implement the transaction with OIG Group. The Directors anticipate that all trustee, responsible entity and management responsibilities will be transferred to OIG Group by the end of November 2010. However, given that the transaction is subject to third party approvals and consents, the exact timing can not be guaranteed.

- (c) As part of the foregoing arrangements, a number of employees of ECL have been transferred to the OIG Group. Certain of those employees have been seconded back to ECL so that it can continue to perform and otherwise satisfy its obligations as responsible entity, trustee, manager and/or advisor to various investment funds pending the transfer of all functions to OIG Group.
- (d) ECL has also entered into a settlement of the Federal Court litigation between ECL, Mr Jeremy Reid, LJK Nominees Pty Ltd (**LJK**), BT Securities Limited and BT (Queensland) Pty Ltd. ECL has paid net \$1 million under the settlement. The settlement is otherwise confidential.

5. Cash available for distribution

Having regard to the foregoing, the Directors anticipate that the Company will be in a position to make distributions of capital to Shareholders as a result of excess cash reserves which are anticipated to accumulate as the wind down progresses.

Post settlement of the litigation described above, the Company will have approximately \$19.0 million in cash reserves, excluding future liabilities and operating loss.

In light of the above, the Board has decided to put a Resolution to Shareholders at the Meeting convened by the accompanying Notice of Meeting which, if passed, would allow:

- (a) between \$0.05 and \$0.0575 per Share (in aggregate between \$12,572,115.80 and \$14,457,933.17) to be returned to Shareholders;
- (b) the distribution to be made by the Company on such date as the Company announces to the market will be the date for payment; and
- (c) the distribution to be made to holders of fully paid ordinary shares in the Company at 7.00 pm on the record date announced to the market for the distribution, currently proposed to be 21 December 2010 as specified in section 7 (the **Record Date**).

6. Why is the Return of Capital expressed as a range?

As discussed above, the Company is in the process of winding down its activities and as part of that process it is transitioning the trustee, responsible entity and management functions performed by the Everest Group to OIG Group.

The amount of the Return of Capital will depend on the extent to which trustee, responsible entity and management functions have been transitioned to OIG Group as at the time the Return of Capital is made. This is due to operational and capital requirements (including net asset conditions in ECL's Australian Financial Services Licence) required to maintain the Everest Group's business in the period prior to the full transition of functions to OIG Group.

In the event that all those functions have been transitioned in full prior to the Return of Capital being made, it is expected that \$0.0575 per Share (being the maximum amount permitted by the Resolution (if approved)) will be distributed to Shareholders. However, if the transition of all those functions has not been completed prior to the Return of Capital, it is expected that less than the maximum amount (but in any case not less than \$0.05 per Share) be distributed to Shareholders.

Having regard to these matters, the Directors believe that the structure of the Return of Capital will facilitate the most expedient and cost effective return of capital to Shareholders

in the present circumstances and are hopeful that the transition process will be completed prior to the Return of Capital.

7. Details and indicative timetable for the Return of Capital

In the event the Return of Capital is approved, the Company proposes to make the distribution to Shareholders by no later than 7 January 2011. The indicative timetable for the Return of Capital (if approved) is proposed to be as set out below. Subject to law, the Company reserves the right to amend this indicative timetable without prior notice to Shareholders.

Event	Date
Date of Notice of Meeting	10 November 2010
Date of Meeting	13 December 2010
Company announces the Record Date and the amount of the distribution (Distribution Amount) at the Meeting	13 December 2010
Ex Return of Capital Entitlement Date (Ex Date)	15 December 2010
Record Date to participate in the Return of Capital	21 December 2010
Payment to Shareholders of the Distribution Amount	No later than 7 January 2011

Pursuant to Listing Rule 3.20, the Company must give the ASX not less than 7 business days notice of a proposed record date or change to a proposed record date and must inform the ASX immediately once it decides a record date or changes a record date.

The Company will inform Shareholders of the Distribution Amount (and the consequent reduction in the exercise price of Options, which is discussed further in section 10) at the Meeting and by market announcement made via the ASX's company announcements platform on the date of the Meeting. The Company will also inform Shareholders of any changes to the indicative timetable referred to above by market announcement made via the ASX's company announcements platform. Details of any changes to the proposed timetable for the Return of Capital are also proposed to be posted on the Company's website at www.everest.com.au.

Upon payment to Shareholders, the exercise price of all Options on issue at the Record Date will be reduced by an amount which is the same amount as the amount returned per Share under the Return of Capital. Treatment of Options is discussed further in section 10.

8. What approvals are required for the Return of Capital?

(a) Corporations Act

Section 256B(1) of the Corporations Act provides that a company may only reduce its share capital if the reduction:

- (i) is fair and reasonable to the company's shareholders as a whole; and
- (ii) does not materially prejudice the company's ability to pay its creditors; and
- (iii) is approved by shareholders under section 256C of the Corporations Act.

The Directors are of the view that, subject to Shareholders approving the Resolution, the Return of Capital meets the requirements of section 256B(1) and as such, that the Company is permitted to undertake the Return of Capital for the purposes of that section. The basis on which the Directors have formed this view is discussed is set out below in this Explanatory Statement.

(b) **Equal reduction**

Section 256B(2) of the Corporations Act provides that provides that a capital reduction is an “equal reduction” under the Corporations Act if:

- (i) it relates only to ordinary shares; and
- (ii) applies to each holder of ordinary shares in proportion to the number of ordinary shares they hold; and
- (iii) the terms of the reduction are the same for each holder of ordinary shares.

The Return of Capital satisfies the criteria in section 256B(2) of the Corporations Act and, as such, is treated as an equal reduction of capital for the purposes of the Corporations Act.

(c) **Shareholder approval requirement**

Section 256C(1) of the Corporations Act provides that an equal reduction of capital requires approval by an ordinary resolution passed at a general meeting of the company.

As such, the Resolution has been proposed as an ordinary resolution.

As an ordinary resolution, the Resolution will be passed if at least 50% of the votes cast in person or by proxy by Shareholders at the Meeting who are entitled to vote on the Resolution are cast in favour of the Resolution.

(d) **Listing Rules**

The Return of Capital does not require approval of Shareholders under the Listing Rules. The Company has consulted with the ASX in relation to the reorganisation of its capital represented by the Return of Capital as required by the Listing Rules.

9. Effect of the Return of Capital on the Company

(a) **Effect on Share numbers and Share capital**

The Company has 251,442,316 Shares on issue as at the date of the accompanying Notice of Meeting.

There are no other classes of shares on issue in the Company other than the Shares and all Shares are fully paid.

The effect of the Return of Capital is that the Company’s issued Share capital will be reduced by not less than \$12,572,115.80 and not more than \$14,457,933.17, (being equal to a minimum of \$0.05 and a maximum of \$0.0575 per Share). The Company will, however, continue to have 251,442,316 Shares on issue.

(b) **Effect on the assets and liabilities of the Company**

If the the Resolution is approved, following the Capital Reduction the Company’s cash assets would be reduced by between \$12,572,115.80 and \$14,457,933.17.

The Directors consider that the Capital Reduction will not adversely affect the Company’s capacity to meet its existing and anticipated obligations and pay its debts as and when due.

(c) **Effect on control of the Company**

In view that the Capital Reduction is an equal reduction and does not result in the cancellation of any Shares, it would (all other matters being equal) not impact the control of the Company.

10. Effect of the Return of Capital on holders of Options

The Company has 1,100,000 unquoted options on issue (**Options**). The Options have been issued at various exercise prices and on various terms to participants in the Company's employee option plan. Other than the Options, there are no options, other convertible instruments or incentive plans which have been issued by the Company.

(a) **Adjustment of exercise price**

Listing Rule 7.22.3 provides that an entity with options on issue must ensure that, in a return of capital (which does not involve cancellation of capital), the number of options on issue remains the same and the exercise price of each option is reduced by the same amount as the amount returned in relation to each ordinary security. Listing Rule 7.23 provides that if the terms of issue of options do not allow for adjustment of the exercise price described above, then those terms must be altered.

The terms of all Options allow for adjustment of the exercise price, as described above.

If the Resolution is approved, the exercise price of each Option would be reduced by an amount equal to the amount per Share returned to Shareholders, being between \$0.05 and \$0.0575 per Option.

The reduction to the exercise price of Options on issue would be made on and from the date of payment to Shareholders under the Return of Capital.

The amount by which the exercise price of Options is to be reduced will be announced to the market by the Company at the same time as it announces the Record Date and Distribution Amount (or any changes to them) to the market.

(b) **Actions available to Option holders**

In the event that the Resolution is passed:

(i) holders of Options *may elect to exercise the whole or a portion of their Options prior to the Ex Date*, in which case:

- the exercise price in respect of the Options so exercised would remain unchanged; and
- an option holder who elects to convert some or all of their Options into Shares on or before the Ex Date would be expected to be entered into the Company's Share register by the Record Date and therefore be entitled to participate in the Return of Capital in respect of those Shares into which their Options have been converted and which are held by them as at the Record Date;

(ii) holders of Options *who do nothing and do not exercise their Options prior to the Ex Date*:

- will have the exercise price in respect of their Options reduced by an amount equal to the amount per Share returned to Shareholders, being between \$0.05 and \$0.0575 per Option in the manner described in section 10(a);
- may, following the Return of Capital being made, exercise those Options at the reduced exercise price (subject to the terms of issue of those Options); and
- will not be eligible to participate in the Return of Capital in respect of any Options held by them.

(c) **Impact of the Return of Capital on number of Options**

The Company will continue to have 1,100,000 Options on issue (assuming none of the Options are exercised, which can not be guaranteed).

11. Effect of the Return of Capital on creditors

Having regard to the Company's current, anticipated and contingent financial requirements, the Directors have assessed that the Return of Capital will not adversely impact the rights of the Company's creditors or the ability of the Company to pay its debts as and when they fall due.

12. Effect of the Return of Capital on Shareholders

If the Resolution is approved, the Return of Capital will:

- (a) result in an equal return of capital being made on a pro rata basis to all Shareholders;
- (b) enable an amount equal of between \$0.05 and \$0.0575 per Share (between \$12,572,115.80 and \$14,457,933.17 in aggregate) to be paid to Shareholders holding Shares on the Record Date, with payment expected to be made in accordance with the indicative timetables set out in section 7; and
- (c) not affect the number of Shares held by each Shareholder.

Shareholders should consult their own tax advisor for specific taxation advice in connection with the Return of Capital in order that their particular circumstances can be taken into account.

Shareholders who dispose of Shares and and have ceased to be the registered holder of those Shares prior to the Record Date will not be eligible to participate in the Return of Capital in respect of those Shares. Persons who acquire Shares will be entitled to participate in the Capital Return in respect of those Shares only if they are the registered holder of those Shares on the Record Date.

13. Advantages of the Return of Capital

The Return of Capital has the following potential benefits for Shareholders:

- (a) it will deliver a return of between \$0.05 and \$0.0575 per Share to Shareholders;
- (b) it would apply equally and on a pro rata basis to all Shareholders;
- (c) as Shares are not cancelled, Shareholders retain their interests in the Company and would be able to evaluate and vote on any future proposals (for further Return of Capitals, the winding up of the Company or any other matter) to be presented by the Directors.

14. Disadvantages of the Return of Capital

Following strategic review of the Company's business and the decision having been made to wind down the Everest Group's operations, the Directors believe that the Return of Capital is in the best interests of the Company and its Shareholders and represents the most beneficial use of the Company's surplus capital and best method to maximise Shareholder returns.

Shareholders may wish to vote against the Resolution for the Return of Capital if they believe that the Company's surplus funds should be used in a manner other than returning them to Shareholders.

15. What if the Resolution is not passed?

If the Resolution is not passed, no capital will be returned to Shareholders in the short term. Unless a subsequent proposed return of capital is approved by Shareholders, Shareholders

would not receive any return until a final distribution (if any) is made following a winding up of the Company.

16. Director's interests

As at the date of the accompanying Notice of Meeting, the following Directors of the Company have an interest in the proposed Return of Capital as they or their associates are Shareholders:

Director	Number of shares in the Company
Mr Greg Martin	3,002,778 ¹
Mr Brett Howard	7,024,000 ²
Ms Marea Laszok	2,223 ³

17. Directors' recommendation

The Directors consider that the Return of Capital is fair and reasonable to all Shareholders, as it applies to all Shareholders equally having regard to the number of shares which they hold.

The Directors recommend that Shareholders **vote in favour** of the Resolution. The Directors intend to vote all Shares controlled by them in favour of the Resolution.

Before making any decision, the Board strongly encourages you to read the Notice of Meeting and Explanatory Statement accompanying carefully and in full.

18. Lodgement

In accordance with section 256C(5) of the Corporations Act, copies of the accompanying Notice of Meeting, Explanatory Statement and Proxy Form have been lodged with ASIC.

As required by the Listing Rules, the Company has consulted with the ASX in connection with the reorganisation of its capital described in the Notice of Meeting and Explanatory Statement. A copy of this Notice of Meeting and this Explanatory Statement has also been provided to the ASX in accordance with Listing Rules 3.17 and 15.1.

Neither ASIC nor the ASX nor any of their respective officers takes any responsibility for the contents of this Notice of Meeting and Explanatory Statement.

19. Glossary

Unless the context otherwise requires, capitalised words and expressions used in the Notice of Meeting and Explanatory Statement have the following meanings:

ASIC	the Australian Securities and Investments Commission;
ASX	ASX Limited ABN 98 008 624 691;
Board	the board of Directors of the Company;
Company	Everest Financial Group Limited ABN 42 112 480 145;

¹ The Shares are held by Jamoca Pty Limited as trustee for the Martin Family Trust. Mr Martin has the power to control the voting rights and disposal of the equity holding of Jamoca Pty Limited.

² The Shares are held by Howard Securities Pty Ltd. Mr Howard has the power to control the voting rights and disposal of the equity holding of Howard Securities Pty Ltd.

³ The Shares are held by Laszok Nominees Pty Limited. Ms Laszok has the power to control the voting rights and disposal of the equity holding of Laszok Nominees Pty Limited.

Corporations Act	Corporations Act 2001 (Cth);
Director	a director of the Company;
Distribution Amount	has the meaning given in section 7 of the Explanatory Statement;
Everest Group	has the meaning given in section 4 of the Explanatory Statement;
Ex Date	has the meaning given in section 7 of the Explanatory Statement;
Explanatory Statement	the explanatory statement comprising part of this document, as defined in the Notice of Meeting;
Meeting	has the meaning given in the Notice of Meeting;
Notice of Meeting	the notice of meeting attached to and forming part of this document;
Listing Rules	the listing rules of ASX;
OIG Group	has the meaning given in section 3 of the Explanatory Statement;
Option	has the meaning given in section 10 of the Explanatory Statement;
Record Date	has the meaning given in section 5 of the Explanatory Statement;
Resolution	the resolution proposed to approve the Return of Capital, as set out in the Notice of Meeting;
Return of Capital	the return of capital to be made pursuant to the Resolution, as further described in the Explanatory Statement;
Share	a fully paid ordinary share in the capital of the Company;
Shareholder	a holder of a Share; and
Voting Entitlement Date	the meaning given in the section headed “How to Vote” forming part of the Notice of Meeting.

Further Information

If you have any queries in relation to the proposed meeting or the matters set out in this Notice of Meeting, please call the company secretary of the Company, Michael Sutherland, on 02 8001 9100.



By mail:
Everest Financial Group Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



By fax: +61 2 9287 0309



All enquiries to: Telephone: 1800 336 109 **Overseas:** +61 2 8280 7691

SHAREHOLDER VOTING FORM

I/We being a member(s) of Everest Financial Group Limited and entitled to attend and vote hereby appoint:

STEP 1

APPOINT A PROXY

the Chairman
of the Meeting
(mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy

or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy to vote for me/us on my/our behalf on the Resolution and any other motion in accordance with the following instructions (or if no instructions are nominated in such manner as my/our proxy thinks fit) at the General Meeting of the Company to be held at 10:00am on Monday, 13 December 2010 in the Treasury Room, Intercontinental Hotel, 117 Macquarie Street, Sydney and at any adjournment or postponement of the meeting. If no preference is specified in this proxy form, the Chairman intends to vote **IN FAVOUR** of the Resolution.

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting, namely by 10:00am on Saturday, 11 December 2010. Please read the voting instructions overleaf before marking any boxes with an

STEP 2

VOTING DIRECTIONS

Resolution 1

To approve the Return of Capital

For

Against

Abstain*

i * If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3

SIGNATURE OF SHAREHOLDER(S) - THIS MUST BE COMPLETED

Individuals

Individual shareholder or attorney

Companies

Director/company secretary or sole director (and sole company secretary)
(Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth). See over page for details.



HOW TO COMPLETE THIS PROXY FORM

Your Name and Address

This is your name and address as it appears on the company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Step 1. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the company. A proxy may be an individual or a body corporate.

Votes on Items of Business - Proxy Appointment

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. Please note that the Chairman intends to vote all undirected proxies IN FAVOUR of the Resolution. If you mark more than one box on an item your vote on that item will be invalid.

Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together.

Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under power of attorney, you must lodge the power of attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the power of attorney to this form when you return it. The power of attorney must have been previously lodged with the registry or a certified copy thereof received by the registry before 10:00am on Saturday, 11 December 2010.

Companies: where the company has a sole director who is also the sole company secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a company secretary, a sole director can also sign alone. Otherwise this form must be signed by a director jointly with either another director or a company secretary. Please indicate the office held by signing in the appropriate place.

Corporate Representatives

If a representative of the corporation is to attend the meeting the appropriate "Corporate Letter of Representation" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the company's share registry.

Lodgement of a Proxy Form

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 10:00am on Saturday, 11 December 2010 being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy Forms may be lodged using the enclosed reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Select the 'Proxy Voting' option on the top right of the home page. Choose the company you wish to lodge your vote for from the drop down menu, enter your holding details as shown on this form, and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the proxy form).



by mail:

Everest Financial Group
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



by fax:

+61 2 9287 0309



by hand:

delivering it to Link Market Services Limited, Level 12, 680 George Street, Sydney NSW 2000.

If you would like to attend and vote at the General Meeting, please bring this form with you.
This will assist in registering your attendance.