



6 December 2010

ASX RELEASE: ROSS HUMAN DIRECTIONS LIMITED (ASX:RHD)

RHD BOARD RECOMMENDS CMG TAKEOVER BID

On 1 December 2010, Ross Human Directions Limited (**RHD**) announced that it had entered into a takeover bid implementation agreement with Chandler Macleod Group Limited (**CMG**), under which CMG will offer to acquire all of the issued shares of RHD at a cash price of \$0.73 per RHD share which will increase to \$0.75 per share if the threshold for compulsory acquisition is satisfied by the end of the offer period (**Offer**). The Offer will also include a CMG share alternative of 1.759 CMG shares for each RHD share, increasing to 1.807 CMG shares for each RHD share if compulsory acquisition is achieved as outlined above.

The cash price of \$0.73 per RHD share under the Offer represents an 89.6% premium to RHD's closing share price on 19 July 2010 – the last day of trading prior to the announcement of the Peoplebank proposal. As previously announced, Lonergan Edwards & Associates Limited (**Independent Expert**) has advised, on the basis of the cash consideration, that the Offer is fair and reasonable to RHD shareholders, in the absence of a superior proposal.

The RHD board unanimously recommends that RHD shareholders accept the Offer in respect of the cash consideration, in the absence of a superior proposal. No recommendation is made in relation to the CMG share alternative. The reasons why the RHD board unanimously recommends that you accept the Offer will be set out in RHD's Targets Statement which will contain RHD's formal response to the Offer.

Each RHD director who holds or controls RHD shares intends to accept the Offer, in the absence of a superior proposal.

As a consequence, the RHD board has withdrawn its previous recommendation of the scheme proposal from Peoplebank Holdings Pty Ltd (**Peoplebank**). RHD has been advised by Peoplebank that it intends to terminate the scheme implementation agreement between Peoplebank and RHD. Upon termination of that agreement, RHD will pay to Peoplebank the break fee of \$500,000 (plus GST) to which it is entitled under the terms of that agreement and will ask the Federal Court to dissolve the scheme meeting which has been adjourned to 16 December 2010.

Commenting on the Offer and the RHD board's withdrawal of its recommendation of the Peoplebank proposal, RHD's Chairman, Allan McDonald, said the RHD board considers that the cash consideration offered to RHD shareholders under the Offer represents better value for shareholders than the consideration offered under the Peoplebank proposal.

CMG has advised RHD that it expects to dispatch its Bidder's Statement to RHD shareholders by mid-December 2010. This document will outline important information about CMG and the Offer, and your alternatives as an RHD shareholder, including how to accept the Offer. The Offer will be conditional on a number of matters including, most relevantly, that CMG has a relevant interest in 50.1% of RHD shares by the later of 24 December 2010 and 10 days after the date on which dispatch of the Offers has been completed. If this condition is not satisfied, the Offer will lapse unless that condition is waived by CMG. CMG currently has a relevant interest in 19.9% of RHD shares through a pre bid commitment from RHD's managing director and founder, Julia Ross, who owns approximately 44.6% of RHD.

RHD is currently preparing its Target's Statement which will be accompanied by a report from the Independent Expert which will explain the basis upon which it has advised RHD that the Offer is fair and reasonable, in the absence of a superior proposal. RHD expects to dispatch the Target's Statement to RHD shareholders shortly after dispatch of the Bidder's Statement.

An indicative timetable for the Offer is as follows:

CMG lodges and serves Bidder's Statement with RHD, ASIC and ASX	8 December 2010
Bidder's Statement dispatched to RHD shareholders	Mid-December 2010
Offer opens for acceptance by RHD shareholders	Mid-December 2010
RHD lodges and serves Target's Statement with CMG, ASIC and ASX	Mid-December 2010
Target's Statement dispatched to RHD shareholders	Mid-December 2010
Last date for satisfaction of 50.1% minimum acceptance condition	24 December 2010
Close of Offer (subject to extension)	Late January 2011

These dates are indicative only and may change.

If you have any questions about the Offer, please call the RHD transaction information line on +61 2 8267 4549 Monday to Friday between 9.00am and 5.00pm (Sydney time).

Greg Coolahan
Company Secretary

For further shareholder information please contact:
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