

WRIDGWAYS

Scheme Booklet

For a scheme of arrangement between Wridgways Australia Limited (ACN 079 887 728) and the holders of shares in Wridgways in relation to the proposed acquisition of all the shares in Wridgways by Santa Fe Moving & Relocation Services Australia Pty. Ltd. (ACN 146 268 831), a wholly-owned subsidiary of Santa Fe Holdings Ltd.

THE DIRECTORS UNANIMOUSLY RECOMMEND THAT YOU

VOTE IN FAVOUR

OF THE SCHEME, IN THE ABSENCE OF A SUPERIOR PROPOSAL

The Independent Expert has concluded that the acquisition of Wridgways Shares by Santa Fe under the Scheme is fair and reasonable and in the best interests of Wridgways Shareholders.

This is an important document and requires your immediate attention. You should read this document in its entirety prior to deciding whether or not to vote in favour of the Scheme. If you are in any doubt as to how to deal with this document, please consult your legal, financial or other professional adviser immediately. If you have recently sold all of your Wridgways Shares, please ignore this document.

WRIDGWAYS SHAREHOLDER INFORMATION LINE

INSIDE AUSTRALIA (TOLLFREE) 1300 610 241

OUTSIDE AUSTRALIA (NORMAL CHARGES APPLY) +61 3 9938 4358

FINANCIAL ADVISER TO WRIDGWAYS

TULLOCH
CORPORATE FINANCE

LEGAL ADVISER TO WRIDGWAYS

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Important notices

General

Wridgways Shareholders should read this document in its entirety before making a decision as to how to vote on the resolution to be considered at the Scheme Meeting. If you are in any doubt as to how to deal with this document, please consult your legal, financial or other professional adviser immediately.

Purpose of this document

The purpose of this document is to explain the terms of the Proposal, the manner in which the Proposal will be considered and implemented (if approved), and to provide such information as is prescribed or otherwise material to the decision of Wridgways Shareholders whether or not to approve the Scheme. This document includes the Explanatory Statement required by section 412(1) of the Corporations Act in relation to the Scheme.

Responsibility statement

The Wridgways Indemnified Parties are not responsible for any information contained in this document other than the Wridgways Information. This means the Wridgways Indemnified Parties are responsible for all information in this document other than the Bidder Information and the Independent Expert's Report.

The Santa Fe Indemnified Parties are not responsible for any information contained in this document other than the information contained in Section 5 (**Santa Fe Information**).

The information contained in Annexure A of this document (**Independent Expert's Report**) has been provided by the Independent Expert and is the responsibility of the Independent Expert. None of the Wridgways Indemnified Parties or the Santa Fe Indemnified Parties assume any responsibility for the accuracy or completeness of such information. The Independent Expert does not assume any responsibility for the accuracy or completeness of any information contained in this document other than the information contained in Annexure A.

ASIC, the ASX and the Court

A copy of this document has been provided to ASIC for the purpose of section 411(2) of the Corporations Act and registered by ASIC for the purpose of section 412(6) of the Corporations Act.

ASIC has reviewed a copy of this document. Wridgways has asked ASIC to provide a statement, in accordance with section 411(17)(b) of the Corporations Act, that ASIC has no objection to the Scheme. ASIC's policy in relation to statements under section 411(17)(b) of the Corporations Act is that it will not provide such a statement until the Second Court Date. This is because ASIC will not be in a position to advise the Court until it has had an opportunity to observe the entire Scheme process. If ASIC provides that statement, it will be produced to the Court at the time of the Court hearing to approve the Scheme. Neither ASIC nor any of its officers take any responsibility for the contents of this document.

A copy of this document has been lodged with the ASX. Neither the ASX nor any of its officers take any responsibility for the contents of this document.

The Court has ordered the convening of the Scheme Meeting pursuant to subsection 411(1) of the Corporations Act.

Important Notice associated with Court Order under subsection 411(1) of *Corporations Act*

The fact that under subsection 411(1) of the *Corporations Act* the Court has ordered that a meeting be convened and has approved the explanatory statement (this document) required to accompany the notice of the meeting does not mean that the Court:

- (a) **has formed any view as to the merits of the proposed scheme or as to how members should vote (on this matter members must reach their own decision); or**
- (b) **has prepared, or is responsible for the content of, the explanatory statement.**

No investment advice

Other than the Independent Expert's Report, the information contained in this document does not constitute financial product advice and has been prepared without reference to your own investment objectives, financial situation, taxation position and particular needs. The information in this document should not be relied upon as the sole basis for any investment decision in relation to the Scheme or your Wridgways Shares. Before making any investment decision in relation to the Scheme or your Wridgways Shares, including any decision to vote in favour or against the Scheme, you should consider, with or without the assistance of a financial adviser, whether that decision is appropriate in light of your particular needs, objectives and financial circumstances. If you are in any doubt about what you should do, please consult your legal, financial or other professional adviser immediately.

Forward looking statements

Certain statements in this document relate to the future. These forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual results, performance or achievements of Wridgways to be materially different from future results, performance or achievements expressed or implied by such statements. Such risks, uncertainties, assumptions and other important factors include, among other things, general economic conditions, exchange rates, interest rates, the regulatory environment, competitive pressures, selling price and market demand. The forward looking statements in this document reflect views held only at the date of this document.

Although Santa Fe and Santa Fe Australia believe that the expectations reflected in any forward looking statements included in the Santa Fe Information are reasonable and Wridgways believes that the expectations reflected in any forward looking statements included in the Wridgways Information are reasonable, other than as required by law, none of Wridgways, Santa Fe, Santa Fe Australia nor any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statements in this document will actually occur.

Subject to any continuing obligations under law or the ASX Listing Rules, Wridgways, Santa Fe, Santa Fe Australia and their respective directors disclaim any obligation or undertaking to disseminate after the date of this document any updates or revisions to any forward looking statements to reflect any change in expectations in relation to those statements or any change in events, conditions or circumstances on which any such statement is based.

Defined terms

Capitalised terms and certain abbreviations used in this document have the defined meanings set out in the Glossary in Section 9 of this document.

Privacy and personal information

Wridgways, Santa Fe, Santa Fe Australia and their respective share registries may collect personal information in the process of implementing the Proposal. The personal information may include the names, addresses, other contact details and details of the shareholdings of Wridgways Shareholders, and the names of individuals appointed by Wridgways Shareholders as proxies, corporate representatives or attorneys at the Scheme Meeting.

Wridgways Shareholders who are individuals and the other individuals in respect of whom personal information is collected as outlined above have certain rights to access the personal information collected in relation to them. Such individuals should contact Computershare on 1300 610 241 (within Australia

only) or +61 3 9938 4358 (International) in the first instance if they wish to request access to that personal information.

The personal information is collected for the primary purpose of implementing the Proposal. The personal information may be disclosed to Wridgways', Santa Fe's and Santa Fe Australia's share registries/transfer agents, Related Entities and advisers, to securities brokers and to print and mail service providers.

The main consequence of not collecting the personal information outlined above would be that Wridgways may be hindered in, or prevented from, conducting the Scheme Meeting and implementing the Proposal.

Wridgways Shareholders who appoint an individual as their proxy, corporate representative or attorney to vote at the Scheme Meeting should inform such an individual of the matters outlined above.

No Internet site is part of this document

Wridgways and Santa Fe maintain Internet websites. Any references in this document to a website is a textual reference for information only and does not form part of this document.

Notice to foreign Wridgways Shareholders

This document complies with disclosure requirements in Australia, which may be different to those in other countries.

Wridgways Shareholder information line

If you have any questions about your Wridgways Shares or any other matter in this document, please call the Wridgways Shareholder information line on 1300 610 241 (within Australia only) or +61 3 9938 4358 (International).

Date of document

This document is dated 19 October 2010.

Letter from the Chairman

On 20 September 2010, Wridgways Australia Limited (*Wridgways*) announced that it had entered into a Scheme Implementation Agreement with Santa Fe Holdings Ltd. (*Santa Fe*) under which it is proposed that an Australian wholly-owned subsidiary of Santa Fe will acquire all of the issued shares in Wridgways by way of a scheme of arrangement (the *Scheme*).

If the Scheme is approved by both the Wridgways shareholders and the Court, then Wridgways shareholders will receive, for each Wridgways share held by them, \$2.80 less the cash amount of any special dividend paid by Wridgways prior to the acquisition (refer below). This values the total issued shares in Wridgways at \$89.6 million.

As at the time of the 20 September 2010 announcement, Wridgways' shareholders were entitled to receive the full benefit of the fully franked final dividend of 11 cents per share which was announced on 19 August 2010. This dividend was paid to shareholders on 6 October 2010.

The Directors of Wridgways are considering declaring a further fully franked dividend (the *Discretionary Special Dividend*) if the Scheme is approved. The Directors will determine (in their absolute discretion) whether or not to declare the Discretionary Special Dividend after taking into account Wridgways' retained earnings and its ability to fund the proposed dividend payment, but the Board's current expectation is that it will be able to declare a Discretionary Special Dividend of between 40 and 42 cents per share.

If a Discretionary Special Dividend is paid, then the cash amount of that dividend will reduce the price per share paid by Santa Fe under the Scheme, but all shareholders will receive the same aggregate cash amount from the two sources (i.e. the Scheme consideration and the Discretionary Special Dividend), namely \$2.80 per share. Further information regarding the Discretionary Special Dividend is contained in Section 2.10 of this Scheme Booklet.

The Directors appointed BDO Securities (NSW-VIC) Pty Ltd (BDO) as the Independent Expert to express an opinion on whether or not the acquisition of the Wridgways shares by Santa Fe under the proposed Scheme is fair and reasonable and in the best interests of Wridgways shareholders. BDO has valued Wridgways shares at 16 September 2010 at between \$2.60 and \$3.11 per share. This valuation reflects the value of Wridgways inclusive of the value of a final fully franked dividend which had been declared but not paid at the time of the Scheme being announced. On 23 September 2010, the Wridgways shares began trading ex-dividend in respect of the final dividend, and therefore, the value of the final dividend is no longer reflected in the valuation of Wridgways. BDO notes in its report that there should be a corresponding reduction in the value of Wridgways shares of approximately 11 cents to reflect that the shares are now trading ex-dividend in respect of the final dividend. If the BDO valuation is adjusted to reflect the approximate 11 cent reduction relating to the shares trading ex-dividend in respect of the final dividend, then the BDO valuation would appear to impute a value for Wridgways after the payment of the final dividend of between approximately \$2.49 and approximately \$3.00 per share.

BDO has concluded that the consideration payable to Wridgways shareholders by Santa Fe under the Scheme is fair and reasonable. BDO has also concluded that the acquisition is in the best interests of Wridgways shareholders. Further information regarding the Independent Expert's report and its conclusions is contained in Annexure A of this Scheme Booklet.

Based on the conclusions of the Independent Expert, and in the absence of a superior proposal, the Directors of Wridgways unanimously recommend that Wridgways shareholders vote in favour of the Scheme. Subject to those same qualifications, the Directors of Wridgways (who together own or control 13.7% of the Wridgways shares), intend to vote all the Wridgways shares held or controlled by them in favour of the Scheme.

In order for the Scheme to proceed, it requires the approval of Wridgways shareholders. A Scheme meeting has been convened for this purpose, with the meeting commencing at 11.30 a.m. on Thursday, 25 November 2010 at the offices of PricewaterhouseCoopers, Darling Park Tower 2, 201 Sussex Street,

Sydney. The Wridgways Annual General Meeting (**AGM**) will be held on the same day and at the same venue as the Scheme meeting, commencing at the later of 12.00 noon and the conclusion or adjournment of the Scheme meeting. In order for the Scheme to proceed, it also requires the approval of the Court.

A resolution relating to the financing and payment of the Discretionary Special Dividend (the **Financial Assistance Resolution**) will be proposed at the Annual General Meeting and must be approved by shareholders as a special resolution if the Directors are to have the discretion to declare the Discretionary Special Dividend. If you are in favour of the Wridgways directors having the ability to declare the Discretionary Special Dividend to Wridgways shareholders, then you should vote in favour of that resolution at the Annual General Meeting. However, the resolution will only become effective if the Scheme is approved by shareholders and by the Court, and if the Directors exercise their discretion to declare the Discretionary Special Dividend. The Directors intend to vote all the Wridgways shares held or controlled by them in favour of the Financial Assistance Resolution and all other resolutions at the AGM.

This document contains important information regarding the Scheme, including the reasons for the Directors' unanimous recommendations and a summary of the advantages and disadvantages of the Scheme. I urge you to read it carefully and, if you are in any doubt as to the action you should take, please seek independent professional advice before making any decision and voting at the meetings.

I encourage you to attend and vote at the Scheme meeting and the Annual General Meeting. If you want the Scheme to proceed, it is important that you vote in favour of all the resolutions at the Scheme meeting. If you want the Directors to have the ability to declare the Discretionary Special Dividend to Wridgways shareholders, then it is important that you also vote in favour of the Financial Assistance Resolution at the AGM. If you are unable to attend for any reason, you should complete the enclosed proxy form and return it to Wridgways Share Registry (using the reply paid envelope included with this document), addressed to Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria 3001 or send it to Wridgways' registered office at 26-40 Nina Link, Dandenong South, Victoria, 3175 and marked to the attention of the Company Secretary.

If you have any questions in relation to the Scheme or this document, please consult your legal, financial or other professional adviser or call the Wridgways Shareholder information line on 1300 610 241 (within Australia) or +61 3 9938 4358 (International).

Yours sincerely

Bryan D Weir
Chairman
Wridgways Australia Limited

Timetable and key dates

Event	Time and date
Last time and date by which a Scheme Proxy Form can be lodged	11.30am on Tuesday, 23 November 2010
Last time and date by which an AGM Proxy Form can be lodged	12.00 noon on Tuesday 23 November 2010
Time and date for determining eligibility to vote at the Scheme Meeting and the Annual General Meeting	7.00pm on Tuesday, 23 November 2010
Scheme Meeting to be held at PricewaterhouseCoopers, Level 10, Darling Park Tower 2, 201 Sussex Street, Sydney	11.30am on Thursday, 25 November 2010
Annual General Meeting to be held at PricewaterhouseCoopers, Level 10, Darling Park Tower 2, 201 Sussex Street, Sydney	At the later of 12.00 noon and the conclusion or adjournment of the Scheme Meeting, on Thursday, 25 November 2010
If the resolution considered at the Scheme Meeting is approved by Wridgways Shareholders:	
Court hearing for approval of the Scheme	Thursday, 2 December 2010
Effective Date	Friday, 3 December 2010
Suspension of trading in Wridgways Shares on the ASX	Close of trading on Friday, 3 December 2010
Discretionary Special Dividend Record Date (if applicable) (being the time and date for determining entitlements to the Discretionary Special Dividend)	7.00pm on Thursday, 9 December 2010
Discretionary Special Dividend Payment Date (if applicable)	Tuesday, 14 December 2010
Scheme Record Date (being the time and date for determining entitlements to Scheme Consideration under the Scheme)	7.00pm on Wednesday, 15 December 2010
Implementation Date (being the date of the transfer of Wridgways Shares to Santa Fe Australia)	Thursday, 16 December 2010
Despatch of cheques (or payment into bank account, if applicable) for Scheme Consideration	Monday, 20 December 2010

Unless otherwise stated, all times referred to in this document are references to time in Sydney, Australia.

This timetable is indicative only. The actual timetable will depend on many factors outside the control of Wridgways, including the Court approval process and the time at which the conditions precedent to the Scheme are satisfied or, if applicable, waived. Those conditions are summarised in Section 6.13(b) of this document. Wridgways has the right to vary the timetable set out above subject to the approval of

such variation by Santa Fe, the Court and the ASX where required. Any variation to the timetable set out above will be announced to the ASX and published on the Wridgways Website.

Your vote

The Meetings will be held on Thursday, 25 November 2010 at PricewaterhouseCoopers, Level 10, Darling Park Tower 2, 201 Sussex Street, Sydney with the Scheme Meeting starting first at 11.30am.

Scheme Meeting

The Scheme Meeting will be held at 11.30am on Thursday, 25 November 2010 at PricewaterhouseCoopers, Level 10, Darling Park Tower 2, 201 Sussex Street, Sydney.

The business of the Scheme Meeting is to consider and, if thought fit, to approve the Scheme.

For the Scheme to proceed, it must be approved by a majority in number of Wridgways Shareholders present and voting at the Scheme Meeting (in person, by attorney, by proxy or, in the case of corporate Wridgways Shareholders, by corporate representative) who must together hold at least 75% of the votes cast on the resolution.

Please refer to Section 6.1 and the Notice of Scheme Meeting in Annexure E for further details.

Annual General Meeting

The Annual General Meeting will be held at the later of 12.00 noon and the conclusion or adjournment of the Scheme Meeting on Thursday, 25 November 2010.

The business of the Annual General Meeting is to consider and, if thought fit, to approve the following items of business:

- the consideration of the annual financial report, directors' report and auditor's report;
- the adoption of the remuneration report;
- the re-election of Mr Brian C Clarke as a director;
- the re-election of Mr Andrew L Horsley as a director; and
- the Financial Assistance Resolution.

Except for the Financial Assistance Resolution, all of the items of business that require approval must be approved by an ordinary resolution. An ordinary resolution is a resolution that is passed by at least 50% of the total number of votes cast at the Annual General Meeting by Wridgways Shareholders entitled to vote.

The Financial Assistance Resolution must be approved by at least 75% of the total number of votes cast at the Annual General Meeting by Wridgways Shareholders entitled to vote.

The Financial Assistance Resolution will only take effect if the Scheme becomes Effective and the Board declares and Wridgways pays the Discretionary Special Dividend.

Please refer to Section 7.2 and the Notice of Annual General Meeting in Annexure F for further details.

What should you do?

Read this document and the accompanying Notice of Scheme Meeting carefully.

If you have any questions, consult your legal, financial or other professional adviser or call the Wridgways Shareholder information line on 1300 610 241 (within Australia) or +61 3 9938 4358 (International).

The Directors believe the Proposal is a matter of importance for all Wridgways Shareholders and therefore urge you to vote on the Scheme.

Entitlement to vote

Wridgways Shareholders who are registered on the Register at 7.00pm on Tuesday, 23 November 2010 may vote at the Meetings in person, by attorney, by proxy or, in the case of corporate Wridgways Shareholders, by corporate representative.

How to vote in person

If you are entitled to vote and wish to do so in person, you should attend the Meetings. Please bring your blank Scheme Proxy Form and AGM Proxy Form with you to facilitate your identification as a Wridgways Shareholder and admission to the Meetings.

A body corporate which is a Wridgways Shareholder may appoint an individual to act as its corporate representative. If you are attending as a corporate representative, please bring evidence of your authority, unless that evidence has been previously lodged with the Wridgways Share Registry.

How to vote by proxy or attorney

A Scheme Proxy Form and an AGM Proxy Form are included with this document. If you wish to appoint a proxy to attend and vote at the Meetings, complete the Scheme Proxy Form and the AGM Proxy Form.

Your Scheme Proxy Form and AGM Proxy Form or appointment of attorney (in the event you wish to appoint an attorney to attend and vote at the Meetings) must either be:

- sent by mail to the Wridgways Share Registry (using the reply paid envelope included with this document), addressed to Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria 3001;
- faxed to (03) 8768 7311 or 1800 783 447 from within Australia, or +61 3 8768 7311 or +61 3 9473 2555 from overseas;
- lodged online at www.investorvote.com.au; or
- sent to Wridgways' registered office at 26-40 Nina Link, Dandenong South, Victoria 3175 and marked to the attention of the Company Secretary.

Your Scheme Proxy Form and AGM Proxy Form (and, if an attorney signs a Scheme Proxy Form or AGM Proxy Form on your behalf, the authority (or a certified copy of the authority) under which the relevant proxy form was signed), must be received at one of the addresses or fax numbers referred to above or be lodged at www.investorvote.com.au at least 48 hours before the relevant Meeting. It is not necessary to send such authority (or a certified copy) if you have already provided this to Wridgways.

If you appoint an attorney to attend and vote at the Meetings, the authority (or a certified copy of the authority) must be received at one of the addresses or fax numbers referred to above or be lodged at www.investorvote.com.au at least 48 hours before the relevant Scheme Meeting (unless you have already provided that authority (or a certified copy) to Wridgways).

If you complete and return a Scheme Proxy Form and/or an AGM Proxy Form, you may still attend the relevant Meeting in person, revoke the proxy and vote at the relevant Meeting.

1. Frequently asked questions

This document contains detailed information regarding the Proposal. The following Section provides summary answers to some questions you may have and will assist you to locate further detailed information in this document.

THE SCHEME AT A GLANCE	
What is the Scheme?	<p>On 20 September 2010, Wridgways announced that it had entered into the Implementation Agreement with Santa Fe. The Scheme involves Santa Fe Australia, an indirect wholly-owned subsidiary of Santa Fe, acquiring all Wridgways Shares for \$2.80 cash per Wridgways Share (less the cash amount of any Discretionary Dividend paid or to be paid), by way of a scheme of arrangement.</p> <p>A copy of the Implementation Agreement which governs how the Scheme will proceed (excluding annexures) is included in Annexure B of this document.</p>
What is a scheme of arrangement?	<p>A scheme of arrangement is a means of implementing an acquisition of shares under the Corporations Act. It requires a vote in favour of the Scheme by certain majorities of shareholders at a meeting of shareholders and also requires Court approval.</p> <p>A detailed description of the Scheme is set out in Section 6 of this document. The terms of the Scheme are set out in full in Annexure D of this document.</p>
What do the Directors recommend in relation to the Scheme?	<p>The Directors unanimously recommend that, in the absence of a Superior Proposal, you vote in favour of the resolution to be proposed at the Scheme Meeting and approve the Scheme. The Directors unanimously believe that the Scheme is in the best interests of Wridgways Shareholders.</p> <p>The reasons for this recommendation and other matters that you may wish to take into consideration are set out in Section 3 of this document.</p> <p>In certain circumstances the Directors may change, withdraw or modify their recommendation, as detailed in Section 2.7.</p>
What are the intentions of the Directors in relation to the Scheme?	<p>Each of the Directors will vote in favour of the Scheme all Wridgways Shares in which they have a Relevant Interest and in respect of which they have power to vote, in the absence of a Superior Proposal.</p> <p>The Directors directly or indirectly hold 4,384,626 Wridgways Shares, representing 13.7% of outstanding Wridgways Shares, as detailed in Section 7.6 of this document.</p>
What are the reasons to vote in favour of the Scheme?	<p>The reasons to vote in favour of the Scheme are set out in Section 3.2 of this document.</p>
What are the possible reasons not	<p>The possible reasons not to vote in favour of the Scheme are set</p>

to vote in favour of the Scheme?	out in Section 3.3 of this document.
What is the Independent Expert's conclusion?	<p>The Directors appointed BDO Securities (NSW-VIC) Pty Ltd as the Independent Expert to provide a report.</p> <p>The Independent Expert has concluded that the acquisition of Wridgways Shares by Santa Fe Australia under the Scheme is fair and reasonable and in the best interests of Wridgways Shareholders.</p> <p>The Independent Expert's Report is included in Annexure A of this document.</p>
What are the prospects of receiving a Superior Proposal?	<p>Since the Proposal was announced, no Superior Proposal has emerged. The Board is not aware of any Superior Proposal that is likely to emerge.</p> <p>Wridgways Shareholders should note that Wridgways has agreed to certain exclusivity and break fee provisions in favour of Santa Fe, which are summarised in Section 6.13 of this document. These provisions do not in any way prevent or restrict a third party from making an alternative proposal.</p>
What should I do?	You should read this document carefully in its entirety and then vote by attending the Scheme Meeting, or by appointing a proxy or attorney to vote on your behalf. If you are a corporation or hold your Wridgways Shares through a company, your authorised corporate representative may attend and vote at the Scheme Meeting. Full details of who is eligible to vote and how to vote are set out in the "Your vote" Section commencing on page 8 of this document.
WHAT YOU WILL RECEIVE UNDER THE SCHEME	
What will I receive if the Scheme proceeds?	<p>If the Scheme proceeds, Wridgways Shareholders will receive \$2.80 cash for each Wridgways Share held as at the Scheme Record Date, less the cash amount of the Discretionary Special Dividend paid or to be paid.</p> <p>If the Discretionary Special Dividend is paid to Wridgways Shareholders, then the cash amount of that dividend will reduce the Scheme Consideration. Wridgways Shareholders will, however, still receive the same aggregate cash amount from the two sources (the Scheme Consideration and the Discretionary Special Dividend), being \$2.80 cash per Wridgways Share.</p>
When will the Scheme Consideration be paid?	<p>If you hold Wridgways Shares on the Scheme Record Date, it is anticipated that you will be paid your Scheme Consideration on 20 December 2010.</p> <p>If the Scheme is not approved by the required majorities at the Scheme Meeting and by the Court, the Scheme Consideration will not be paid.</p>
How will I be paid for my Wridgways	Wridgways will despatch a cheque in Australian currency payable to the Wridgways Shareholder, drawn on an Australian bank

Shares?	account, by pre-paid post to each Wridgways Shareholder's address, as it appears in the Wridgways Share Registry, or for those Wridgways Shareholders who have a payment direction with Wridgways that is currently used for the payment of dividends, by making a payment into the Wridgways Shareholder's bank account.
How will joint Wridgways Shareholders be paid for their Wridgways Shares?	In the case of joint holders of Scheme Shares, the Scheme Consideration which is paid for by cheque will be in the name of the joint holders whose names appear in the Wridgways Share Registry, or by electronic funds transfer (where the joint holders have a payment direction that is currently used for the payment of dividends).
What are the tax consequences of the Scheme for me?	Section 8 of this document provides a general outline of the Australian income tax, CGT, GST and stamp duty consequences for Wridgways Shareholders who dispose of their Wridgways Shares to Santa Fe Australia in accordance with the Scheme. You should consult with your own financial/tax adviser regarding the consequences of receiving the Announced Dividend, the Discretionary Special Dividend and of disposing of your Wridgways Shares to Santa Fe Australia in accordance with the Scheme in light of current tax laws and your particular investment circumstances.
Will I have to pay brokerage fees or stamp duty?	No, you will not have to pay any brokerage or stamp duty in connection with the Scheme.
VOTING TO APPROVE THE SCHEME	
When and where will the Scheme Meeting be held?	The Scheme Meeting will be held at 11.30am on Thursday, 25 November 2010 at PricewaterhouseCoopers, Level 10, Darling Park Tower 2, 201 Sussex Street, Sydney.
Am I entitled to vote at the Scheme Meeting?	A Wridgways Shareholder whose name is recorded on the Register at 7.00pm on Tuesday, 23 November 2010 may vote at the Scheme Meeting in person, by attorney, by proxy or, in the case of corporate Wridgways Shareholders, by corporate representative.
What vote is required to approve the Scheme?	For the Scheme to proceed, votes in favour must be received: <ul style="list-style-type: none"> • from a majority in number of Wridgways Shareholders who vote at the Scheme Meeting (in person, by attorney, by proxy or, in the case of corporate Wridgways Shareholders, by corporate representative); and • who must together hold at least 75% of the votes cast on the resolution to approve the Scheme. <p>It is also necessary for the Court to approve the Scheme before it can become Effective.</p>
What choices do I have as a	As a Wridgways Shareholder you have the following choices:

Wridgways Shareholder?	<ul style="list-style-type: none"> • you can vote at the Scheme Meeting in person, by attorney, by proxy or, in the case of corporate Wridgways Shareholders, by corporate representative; • you can elect not to vote at the Scheme Meeting; or • you can sell your Wridgways Shares on the ASX. If you sell your Wridgways Shares on the ASX you may incur brokerage costs. Provided the Scheme becomes Effective, Wridgways Shares are expected to be suspended from trading on the ASX from the close of trading on the Effective Date. Accordingly, you can sell your Wridgways Shares on-market at any time before the close of trading on the day that the Scheme becomes Effective. The Effective Date is expected to be 3 December 2010.
Should I vote?	<p>Voting is not compulsory. However, the Directors believe that the Scheme is important to all Wridgways Shareholders and the Directors unanimously recommend that, in the absence of a Superior Proposal, you vote in favour of the Scheme at the Scheme Meeting.</p>
How do I vote?	<p>You may vote in person by attending the Scheme Meeting to be held at 11.30am on Thursday, 25 November 2010 at PricewaterhouseCoopers, Level 10, Darling Park Tower 2, 201 Sussex Street, Sydney.</p> <p>Alternatively, you may vote by completing and lodging the Scheme Proxy Form that is enclosed with this document. The Scheme Proxy Form can be lodged online, by mail or by fax.</p> <p>You can also vote by appointing a body corporate representative (if you are a body corporate) or an attorney.</p> <p>Full details of how to vote and how to lodge the Scheme Proxy Form or the power of attorney (or a certified copy), as applicable, are set out in the "Your vote" Section commencing on page 8 of this document.</p>
What happens if I do not vote, or I vote against the Scheme?	<p>The Scheme may not be approved by the requisite majorities at the Scheme Meeting. If this occurs:</p> <ul style="list-style-type: none"> • the Scheme will not proceed; • you will not receive the Scheme Consideration; • you will not receive the Discretionary Special Dividend; and • you will remain a Wridgways Shareholder. <p>However, if the Scheme is approved and implemented:</p> <ul style="list-style-type: none"> • your Wridgways Shares will be transferred to Santa Fe Australia under the Scheme;

	<ul style="list-style-type: none"> • you will receive the Scheme Consideration for each Wridgways Share you hold on the Scheme Record Date; and • if: <ul style="list-style-type: none"> ○ the Financial Assistance Resolution is approved by Wridgways Shareholders as a special resolution at the Annual General Meeting; ○ the Board (exercising its absolute discretion) declares it; and ○ you are a Wridgways Shareholder on the Discretionary Special Dividend Record Date, <p>then you will receive the Discretionary Special Dividend.</p> <p>This is so even if you did not vote at all or you voted against the Scheme.</p>
<p>What happens if:</p> <p>(a) the Scheme is not approved at the Scheme Meeting; or</p> <p>(b) the Scheme is approved at the Scheme Meeting, but is not approved by the Court?</p>	<p>If the Scheme is not approved at the Scheme Meeting or the Scheme is approved at the Scheme Meeting, but is not approved by the Court:</p> <ul style="list-style-type: none"> • Wridgways Shareholders will retain their Wridgways Shares; • Wridgways will continue to operate as a stand-alone entity listed on the ASX; • Wridgways Shareholders will not receive the Scheme Consideration; • the Discretionary Special Dividend will not be paid; and • Wridgways will continue to focus on its current business plan and strategy.
<p>When will the results of the Scheme Meeting be available?</p>	<p>The results of the Scheme Meeting will be available shortly after the conclusion of the Scheme Meeting and will be announced to the ASX immediately after they are available.</p>
DISCRETIONARY SPECIAL DIVIDEND	
<p>What is the Discretionary Special Dividend?</p>	<p>The Discretionary Special Dividend is a fully franked special dividend that will be paid, in respect of each Wridgways Share, if:</p> <ul style="list-style-type: none"> • the Scheme is approved by Wridgways Shareholders at the Scheme Meeting and is approved by the Court; • the Financial Assistance Resolution is approved by Wridgways Shareholders as a special resolution at the Annual General Meeting; and

	<ul style="list-style-type: none"> the Board, in its absolute discretion, declares it by no later than the last date permitted by the Listing Rules. <p>The Board is considering the payment of a Discretionary Special Dividend in the range of \$0.40 - 0.42 per Wridgways Share.</p> <p>Even if the Scheme is approved by Wridgways Shareholders and the Court, it is not certain that the Board will declare the Discretionary Special Dividend. In considering whether to declare the Discretionary Special Dividend, the Board will have regard to Wridgways' retained earnings and its ability to fund such a dividend.</p> <p>Please refer to Section 2.10 of this document for more information.</p>
Why is the payment of the Discretionary Special Dividend being considered by the Board?	<p>The Board will consider (in its absolute discretion) whether or not to declare the Discretionary Special Dividend prior to the acquisition of the Wridgways Shares under the Scheme – as more fully described in Section 2.10.</p> <p>If declared, the Discretionary Special Dividend will be paid by Wridgways out of accounting profits derived by Wridgways and will be fully franked with franking credits that have arisen to Wridgways and which are appropriately referable to existing Wridgways Shareholders.</p> <p>The Board is considering declaring the Discretionary Special Dividend because, when paid, that dividend will be a distribution of the trading profits (and franking credits) to Wridgways Shareholders which would have been available to them in circumstances other than under the Proposal.</p>
Can I vote in favour of the Financial Assistance Resolution (at the Annual General Meeting) but vote against the Scheme (at the Scheme Meeting)?	<p>Yes, you can vote in this manner. However, the Discretionary Special Dividend will only be declared if:</p> <ul style="list-style-type: none"> the Scheme is approved by the requisite majorities of Wridgways Shareholders at the Scheme Meeting and is approved by the Court; the Financial Assistance Resolution is approved by Wridgways Shareholders as a special resolution at the Annual General Meeting; and the Board, in exercising its absolute discretion, declares the Discretionary Special Dividend.
Can I vote in favour of the Scheme (at the Scheme Meeting) but vote against the Financial Assistance Resolution (at the Annual General Meeting)?	<p>Yes, you can vote in this manner.</p>
Will I be entitled to	<p>If the Board exercises its discretion to declare the Discretionary</p>

<p>receive the Discretionary Special Dividend?</p>	<p>Special Dividend, then you will receive the Discretionary Special Dividend in respect of each Wridgways Share that you hold on the Discretionary Special Dividend Record Date, which is 7.00pm on 9 December 2010.</p>
<p>How do I receive the Discretionary Special Dividend?</p>	<p>If:</p> <ul style="list-style-type: none"> • the Scheme is approved by the requisite majorities of Wridgways Shareholders at the Scheme Meeting and is approved by the Court; • the Financial Assistance Resolution is approved by Wridgways Shareholders as a special resolution at the Annual General Meeting; and • the Board, in exercising its absolute discretion, declares the Discretionary Special Dividend, <p>then all Wridgways Shareholders at the Discretionary Special Dividend Record Date (expected to be 9 December 2010) will receive the Discretionary Special Dividend.</p> <p>You do not have to do anything to receive the Discretionary Special Dividend other than be a Wridgways Shareholder on the Discretionary Special Dividend Record Date.</p> <p>The Discretionary Special Dividend will be paid on the Discretionary Special Dividend Payment Date, which is expected to be 14 December 2010.</p> <p>If the Scheme is not approved by the requisite majorities at the Scheme Meeting and by the Court, the Discretionary Special Dividend will not be paid.</p>
<p>Is the Scheme conditional on the Discretionary Special Dividend being declared?</p>	<p>No, the Discretionary Special Dividend does not form part of the Scheme (although it will only be paid if, amongst other things, the Scheme is approved by Wridgways Shareholders and the Court). Ultimately, the declaration of the Discretionary Special Dividend is a matter for the Board, in its absolute discretion.</p> <p>The Discretionary Special Dividend is explained in further detail in Section 2.10.</p>
<p>What if I want to buy Wridgways Shares after the Discretionary Special Dividend Record Date?</p>	<p>If you want to buy Wridgways Shares after the Discretionary Special Dividend Record Date, then you will have to buy those shares off market because the Wridgways Shares will have been suspended from trading on the ASX from close of trading on the Effective Date (which will be before the Discretionary Special Dividend Record Date).</p> <p>If you buy Wridgways Shares after the Discretionary Special Dividend Record Date, then the Scheme Consideration that you will receive if you remain a Wridgways Shareholder on the Scheme Record Date will be \$2.80 cash for each Wridgways Share held less the cash amount of any Discretionary Special Dividend paid or to be paid.</p>

OTHER	
Can I keep my Wridgways Shares?	If the Scheme is implemented, Wridgways Shares will be transferred to Santa Fe Australia. This is so even if you did not vote at all or you voted against the Scheme.
Who is Santa Fe?	Santa Fe Holdings Ltd. is the holding company of the Santa Fe Group. Further information on Santa Fe is set out in Section 5 of this document.
Who is Santa Fe Australia?	Santa Fe Australia is an indirect wholly-owned subsidiary of Santa Fe. Further information on Santa Fe Australia is set out in Section 5 of this document.
Can I acquire shares in Santa Fe?	No, Santa Fe is a private company and its shares are not presently for sale. Further information on Santa Fe is set out in Section 5.
Can I acquire shares in Santa Fe Australia?	No, Santa Fe Australia is a private company and its shares are not presently for sale.
Are any other approvals required?	The Scheme must be approved by the Court in addition to being approved by the requisite majorities of Wridgways Shareholders. If the Scheme is approved by the requisite majorities of Wridgways Shareholders at the Scheme Meeting, Wridgways will apply to the Court for approval of the Scheme. The Court hearing for approval of the Scheme is expected to be held on Thursday, 2 December 2010 (although this may change). Further details of the approval process are set out in Section 6.3 of this document.
Is the Scheme subject to any conditions?	Implementation of the Scheme is subject to a number of conditions. These conditions are summarised in Section 6.13(b) of this document and set out in full in the Implementation Agreement (a copy of which, excluding annexures, is included in Annexure B of this document).
What happens if a Superior Proposal emerges?	If a Superior Proposal emerges, the Directors will reconsider their recommendation in respect of the Scheme and will advise Wridgways Shareholders of any Superior Proposal and any revised recommendation accordingly.
When will Wridgways Shares cease trading on the ASX?	Provided the Scheme becomes Effective, Wridgways Shares are expected to be suspended from trading on the ASX from the close of trading on the Effective Date (which is currently expected to be Friday, 3 December 2010).
What if I have other questions?	If you have any further questions concerning the Proposal, please consult your legal, financial or other professional adviser or call the Wridgways Shareholder information line on 1300 610 241 (within Australia) or +61 3 9938 4358 (International).

2. Key features of the Proposal

2.1 Overview

On 20 September 2010, Wridgways announced the proposed acquisition of Wridgways by Santa Fe.

The proposed transaction will be implemented by way of a scheme of arrangement to be approved by Wridgways Shareholders. Under the Scheme, Santa Fe Australia will acquire all of the Wridgways Shares held by Wridgways Shareholders in consideration of the payment of the Scheme Consideration. If the Scheme is implemented, Wridgways will become an indirect wholly-owned subsidiary of Santa Fe and will be delisted from the ASX.

A copy of the Scheme is set out in Annexure D of this document.

2.2 What you will receive if the Scheme is implemented

If the Scheme proceeds, Wridgways Shareholders will receive \$2.80 cash for each Wridgways Share held at the Scheme Record Date, less the cash amount of any Discretionary Special Dividend paid or to be paid. Please refer to Section 2.10 for more details on the Discretionary Special Dividend.

Under the terms of the Implementation Agreement, Santa Fe or Santa Fe Australia must pay or procure the payment to Wridgways of the consideration for your Wridgways Shares before 12.00 noon on the Implementation Date. It is expected that Wridgways will pay the Scheme Consideration received from Santa Fe or Santa Fe Australia to Wridgways Shareholders on Monday, 20 December 2010.

2.3 Directors' recommendation

The Directors unanimously recommend that, in the absence of a Superior Proposal, you vote in favour of the resolution to be proposed at the Scheme Meeting and approve the Scheme.

The reasons for this recommendation and other matters that you may wish to take into consideration are set out in Section 3 of this document.

2.4 Independent Expert's opinion

The Directors appointed BDO Securities (NSW-VIC) Pty Ltd as the Independent Expert to prepare the Independent Expert's Report on the Proposal. The Independent Expert's Report concludes that the acquisition of Wridgways Shares by Santa Fe Australia under the Scheme is fair and reasonable and in the best interests of Wridgways Shareholders.

The Independent Expert's Report is set out in full in Annexure A of this document.

2.5 Key steps to implement the Proposal

The key steps to implement the Proposal are as follows:

- Wridgways Shareholders will vote on whether to approve the Scheme at the Scheme Meeting;
- if the required majorities of Wridgways Shareholders approve the Scheme at the Scheme Meeting, then Wridgways will apply to the Court to approve the Scheme at the Second Court Hearing (expected to be held on Thursday, 2 December 2010);

- if all conditions to the Scheme have been satisfied or waived, and the Court approves the Scheme, Wridgways will lodge with ASIC an office copy of the Court order approving the Scheme. Wridgways intends to lodge this with ASIC on the day after the Second Court Date (expected to be Friday, 3 December 2010);
- it is contemplated that suspension of trading in Wridgways Shares on the ASX will occur from close of trading on the Effective Date (expected to be Friday, 3 December 2010);
- before 12.00 noon on the Implementation Date, Santa Fe or Santa Fe Australia will pay or procure the payment of the Scheme Consideration payable in respect of all existing Wridgways Shares in an Australia dollar denominated trust account operated by Wridgways as trustee for the Scheme Shareholders;
- provided Santa Fe or Santa Fe Australia complies with the payment obligation referred to above, Wridgways will, on the Implementation Date, register Santa Fe Australia as the holder of all existing Scheme Shares; and
- as soon as practicable after the Implementation Date, Wridgways will pay the Scheme Consideration received from Santa Fe or Santa Fe Australia to Wridgways Shareholders by despatching cheques or, for those Wridgways Shareholders who have a payment direction with Wridgways that is currently used for the payment of dividends, by making a payment into the Wridgways Shareholder's bank account (expected to occur on Monday, 20 December 2010).

Section 6 of this document contains further details of the Proposal, including the conditions that must be satisfied or waived in order for the Scheme to proceed.

2.6 Conditions precedent

Implementation of the Scheme is subject to a number of conditions precedent which are summarised in Section 6.13(b) of this document and set out in full in clause 3 of the Implementation Agreement (a copy of which, excluding annexures, is set out in Annexure B of this document).

2.7 Exclusivity arrangements

Wridgways has agreed in the Implementation Agreement that it will comply with certain restrictions in relation to soliciting alternative proposals or competing transactions with third parties, and responding to approaches by third parties in relation to Wridgways.

These provisions do not in any way prevent a third party from making an alternative proposal. Wridgways Shareholders should be aware that Wridgways has agreed in the Implementation Agreement not to, except with the prior written consent of Santa Fe:

- solicit or invite any Competing Proposal; or
- initiate discussions with any third party which may reasonably be expected to lead to a Competing Proposal.

Wridgways has also agreed, except with the prior written consent of Santa Fe, that it will not:

- participate in any negotiations in relation to, or which may reasonably be expected to lead to, a Competing Proposal;
- provide any information to a third party for the purpose of enabling that party to make a Competing Proposal; or

- communicate any intention to do any of the things above,

unless the Board, acting in good faith, after having obtained written advice from its legal and financial advisers, determines that failing to respond to the Competing Proposal would be likely to constitute a breach of what the Board considers to be its fiduciary or statutory duties.

Further details about these arrangements are set out in Section 6.13 of this document and they are set out in full in clause 9 of the Implementation Agreement.

2.8 Break Fee and Reverse Break Fee

Wridgways has agreed in the Implementation Agreement to pay a fee referred to as the Break Fee to Santa Fe in certain circumstances. The Break Fee is \$750,000 (plus GST if applicable).

Further details about the Break Fee are set out in Section 6.13 of this document and the relevant provisions are set out in full in clause 10 of the Implementation Agreement.

Santa Fe has agreed under the Implementation Agreement to pay a fee referred to as the Reverse Break Fee to Wridgways in certain circumstances. The Reverse Break Fee is \$750,000 (plus GST if applicable).

Further details about the Reverse Break Fee are set out in Section 6.13 of this document and the relevant provisions are set out in full in clause 11 of the Implementation Agreement.

2.9 Taxation implications

A general guide to the taxation implications of the Proposal is set out in Section 8 of this document. This guide is expressed in general terms and is not intended to provide taxation advice in respect of the particular circumstances of any Wridgways Shareholder.

2.10 Discretionary Special Dividend

The Board will consider the payment of a fully franked dividend in the range of \$0.40 - \$0.42 per Wridgways Share (defined in this document as the Discretionary Special Dividend), if the Scheme is approved by both Wridgways Shareholders and the Court and if the Financial Assistance Resolution is approved by Wridgways Shareholders at the Annual General Meeting.

The Board will be entitled, in its absolute discretion, to determine whether to declare the Discretionary Special Dividend. When considering whether to declare the Discretionary Special Dividend, the Board will have regard to Wridgways' retained earnings and its ability to fund such a dividend.

The Board believes (based on information currently available to it) that Wridgways will have sufficient retained earnings at the Discretionary Special Dividend Payment Date, to pay the Discretionary Special Dividend in the range of \$0.40 - 0.42, if it is declared.

Wridgways will fund the Discretionary Special Dividend from a combination of Wridgways' available surplus cash and debt facilities, of up to \$14.4 million. Wridgways is currently considering offers from authorised deposit taking institutions of debt funding on commercial terms (including the provision of security in accordance with market practice) that might be acceptable to the Directors, and expects to have agreed terms in place prior to the Scheme Meeting. Any remaining funds available to Wridgways from these sources, after payment of the Discretionary Special Dividend, will be utilised to support Wridgways' working capital and capital expenditure requirements.

Prior to the date of this document, Wridgways lodged a request for a Class Ruling with the ATO. The Class Ruling was sought to confirm certain income tax implications for

Wridgways Shareholders as a result of receiving the Scheme Consideration, the Announced Dividend and the Discretionary Special Dividend.

A Draft Class Ruling has been received from the ATO. To the extent that the facts and circumstances set out in the application for the Class Ruling are not materially different from the terms of the Scheme if approved by the Court (which Wridgways expects to be the case), Wridgways anticipates receiving a final version of the Class Ruling following the Implementation Date. The Draft Class Ruling may not be relied upon by Wridgways Shareholders until such a time as it is issued in final form by the ATO. The final version of the Class Ruling must be published and notice of it must be published in the *Gazette*. Further details in relation to the Draft Class Ruling are contained in Section 8.2.

The payment of the Discretionary Special Dividend is not conditional upon the receipt of a favourable draft Class Ruling, although it may be a factor taken into account by the Board in exercising its discretion whether to declare the Discretionary Special Dividend.

While the Discretionary Special Dividend does not form part of the Scheme, if the Discretionary Special Dividend is declared, then Santa Fe is entitled to reduce the consideration payable to each Wridgways Shareholder under the Scheme by the amount of the Discretionary Special Dividend paid or to be paid in respect of each Wridgways Share.

If:

- the Scheme is approved by Wridgways Shareholders and the Court; and
- the Financial Assistance Resolution is approved by Wridgways Shareholders at the Annual General Meeting,

then the Board may still decide not to declare the Discretionary Special Dividend.

If the Discretionary Special Dividend is declared and paid, then the consideration payable by Santa Fe to Wridgways Shareholders will be reduced by the amount of the Discretionary Special Dividend paid in respect of each Wridgways Share.

If the Discretionary Special Dividend is not paid, then the consideration payable by Santa Fe to Wridgways Shareholders will be \$2.80 cash per Wridgways Share.

If:

- the Scheme is approved by the requisite majorities of Wridgways Shareholders at the Scheme Meeting and is approved by the Court;
- the Financial Assistance Resolution is approved by Wridgways Shareholders as a special resolution passed at the Annual General Meeting; and
- the Board exercises its discretion to declare the Discretionary Special Dividend,

then all Wridgways Shareholders who hold Wridgways Shares as at as at the Discretionary Special Dividend Record Date (which is expected to be 7.00pm on 9 December 2010) will be paid the Discretionary Special Dividend on the Discretionary Special Dividend Payment Date, which is expected to be 14 December 2010.

If the Scheme is not approved by the requisite majorities of Wridgways Shareholders at the Scheme Meeting, then the Discretionary Special Dividend will not be paid.

The payment of the Discretionary Special Dividend raises the issue of 'financial assistance' under the Corporations Act. Section 260A of the Corporations Act permits a company to financially assist a person to acquire shares in the company if, for example, the assistance is

approved by shareholders under section 260B. The Financial Assistance Resolution which will be put to Wridgways Shareholders at the Annual General Meeting is a resolution for the purposes of section 260B of the Corporations Act.

The Discretionary Special Dividend will not be declared if the Financial Assistance Resolution is not approved by at least 75% of the total number of votes cast at the Annual General Meeting by Wridgways Shareholders entitled to vote. For more information on this issue, please refer to Section 7.2.

2.11 If the Scheme does not proceed

If the Scheme does not proceed, Wridgways Shareholders will retain their Wridgways Shares, Wridgways will continue to operate as a stand-alone entity listed on the ASX and Wridgways Shareholders will not receive the Scheme Consideration or the Discretionary Special Dividend. Wridgways will continue to focus on its current business plan and strategy.

2.12 Action to be taken by Wridgways Shareholders

You should read this document in its entirety. If you are in any doubt as to how to deal with this document, please consult your legal, financial or other professional adviser.

Details of your entitlement to vote at the Scheme Meeting and instructions on how to vote are set out in the "Your vote" Section commencing on page 8 of this document and in the Notice of Scheme Meeting, which is set out in Annexure E of this document.

2.13 Wridgways Shareholders may sell their Wridgways Shares on the ASX at any time prior to the suspension of trading of Wridgways Shares

Wridgways Shareholders should take into account that they may sell their Wridgways Shares on the ASX at any time prior to the suspension of Wridgways Shares from trading if they do not wish to hold them and participate in the Scheme (although normal brokerage and other expenses on sale may be incurred). It is contemplated that suspension of trading in Wridgways Shares on the ASX will occur from close of trading on the Effective Date. This is expected to occur on Friday, 3 December 2010.

2.14 Further information for Wridgways Shareholders

If you have any further questions concerning the Proposal, please consult your legal, financial or other professional adviser or call the Wridgways Shareholder information line on 1300 610 241 (within Australia) or +61 3 9938 4358 (International).

3. Recommendations and matters relevant to your vote

3.1 Directors' recommendation

The Directors of Wridgways unanimously recommend that you vote in favour of the resolution to be proposed at the Scheme Meeting and approve the Scheme, in the absence of a Superior Proposal. The Directors unanimously believe that, for the reasons set out below, the Scheme is in the best interests of Wridgways Shareholders.

Each of the Directors will vote in favour of the Scheme all Wridgways Shares in which they have a Relevant Interest and in respect of which they have power to vote, in the absence of a Superior Proposal. The interests of the Directors in Wridgways Shares are set out in Section 7.6 of this document.

The Directors believe that the reasons for Wridgways Shareholders to vote in favour of the Scheme outweigh the reasons to vote against the Scheme, in the absence of a Superior Proposal. Further discussion of this conclusion and other relevant considerations are set out below. You should also read the Independent Expert's Report which is set out in full in Annexure A of this document.

3.2 Reasons to vote in favour of the Scheme

The key reasons for the Directors' recommendation that, in the absence of a Superior Proposal, you vote in favour of the Scheme include the following.

- (a) **The Independent Expert has concluded that the acquisition of Wridgways Shares by Santa Fe Australia under the Scheme is fair and reasonable and in the best interests of Wridgways Shareholders.**

The Independent Expert has stated that: "We have considered the terms of the Scheme as outlined in the body of this Report and have concluded that the Scheme is fair and reasonable and in the best interests of Shareholders." (Independent Expert's Report, page ii.)

In reaching its conclusion, the Independent Expert notes that: "Based on our assessment of the fairness of the Scheme at Section 6 and the reasonableness issues set out in Section 7, we believe the Scheme is fair and reasonable and therefore in the best interests of Shareholders." (Independent Expert's Report, page 18.)

A copy of the Independent Expert's Report can be found in Annexure A of this document.

- (b) **The price of Wridgways Shares may fall if the Scheme is not approved**

The Directors believe that if the Scheme is not approved and no Superior Proposal emerges, the price of Wridgways Shares may fall below the current trading price.

Regarding the potential impact on the price of Wridgways Shares if the Scheme does not proceed, the Independent Expert stated: "The Scheme provides an avenue for Shareholders to realise a guaranteed price for their shareholding. If the Scheme is not approved, those Shareholders who were looking to exit via the Scheme may sell their shareholdings on market. This could potentially have a significant and detrimental impact on the price of Wridgways Shares." (Independent Expert's Report, page 18.)

(c) **Wridgways Shareholders will receive certain and immediate value for their Wridgways Shares**

The consideration of \$2.80 cash per Wridgways Share (less the cash amount of any Discretionary Special Dividend paid or to be paid) provides you with certainty of value for your Wridgways Share (subject to the conditions to the Scheme being satisfied or waived).

The certainty of \$2.80 cash per Wridgways Share (less the cash amount of any Discretionary Special Dividend paid or to be paid) should be compared to the external and company specific risks and uncertainties which Wridgways may be subject to and that could affect the future trading price of Wridgways Shares.

Wridgways' external and company specific risks may include, but are not limited to:

- the risk of changes in interest rates, employment rates, inflation, consumer spending and government policy which may impact sales and operating profits;
- the risk of downturns in the markets in which Wridgways operates;
- the risk of reduced margins in the markets in which Wridgways operates;
- the risk of a material legal claim emerging; and
- the risk of deterioration in broader equity market conditions.

The Independent Expert has stated that: "Thus the Scheme provides an opportunity to exit at a price level very infrequently reached over the past 12 months." (Independent Expert's Report, page 17.)

(d) **No Superior Proposal has emerged**

Since Wridgways announced the Proposal on 20 September 2010, no Superior Proposal to acquire Wridgways has emerged. The Board is not aware of any Superior Proposal that is likely to emerge.

(e) **No brokerage or stamp duty will be payable on the transfer of your Wridgways Shares**

You will not incur any brokerage or stamp duty on the transfer of your Wridgways Shares to Santa Fe Australia pursuant to the Scheme.

3.3 Possible reasons not to vote in favour of the Scheme

Although the Scheme is recommended by your Directors (in the absence of a Superior Proposal), and the Independent Expert has concluded that the acquisition of Wridgways Shares by Santa Fe Australia under the Scheme is fair and reasonable and in the best interests of Wridgways Shareholders, factors which may lead you to consider voting against the Scheme include the following.

(a) **You might disagree with the recommendation of the Directors and the conclusion of the Independent Expert**

The Directors have had regard to the considerations set out in Section 3.2 in recommending that Wridgways Shareholders vote in favour of the Scheme. The Independent Expert has concluded that the acquisition of Wridgways Shares by Santa Fe Australia under the Scheme is fair and reasonable and in the best interests

of Wridgways Shareholders. However, you may hold a different view and you are not obliged to follow the recommendation of the Directors or to agree with the conclusion of the Independent Expert.

(b) **You will no longer be a member of Wridgways**

If the Scheme is implemented, Wridgways Shareholders will no longer be members of Wridgways and will not participate in any potential upside that may arise from being a member of Wridgways. Implementation of the Scheme may represent a disadvantage for Wridgways Shareholders who do not want to change their investment profile.

(c) **A Superior Proposal could potentially emerge**

You may consider that there is potential for a Superior Proposal to emerge in relation to Wridgways.

Prior to receiving the Proposal, the Board had considered a number of possible alternatives, including Wridgways continuing as a stand alone entity as well as pursuing Australian and overseas acquisition targets to achieve local and international expansion. The Board considers that the Scheme is likely to deliver greater benefits to Wridgways Shareholders than any of these alternatives.

Despite this, it is possible that a superior proposal for Wridgways could emerge in the future. Since Wridgways announced the Proposal on 20 September 2010, no superior proposal in relation to Wridgways has emerged. The Board is not aware of any superior proposal that is likely to emerge.

If an alternative proposal does emerge, this will be announced to the ASX and the Directors will carefully consider the alternative proposal and advise you of their recommendation.

(d) **Tax consequences**

If the Scheme becomes effective there will be tax consequences for Wridgways Shareholders which may include tax payable on any gain on disposal of Wridgways Shares. A general guide to the taxation implications of the Proposal is set out in Section 8 of this document. This guide is expressed in general terms and individual Wridgways Shareholders should seek professional advice regarding the tax consequences applicable to their own circumstances.

3.4 Other relevant considerations

(a) **Implications of a failure to approve the Scheme**

If the Scheme is not approved by Wridgways Shareholders and the Court, Wridgways Shareholders will retain their Wridgways Shares. Under this scenario, and in the absence of a Superior Proposal, the market price for Wridgways Shares may fall.

(b) **The Scheme may be implemented even if you vote against it**

You should be aware that even if you do not vote, or vote against the Scheme, the Scheme may still be implemented if it is approved by the requisite majorities of Wridgways Shareholders and the Court. If this occurs, your Wridgways Shares will be transferred to Santa Fe Australia and you will receive the Scheme Consideration even though you did not vote on, or voted against, the Scheme.

(c) **Conditionality of the Scheme**

The implementation of the Scheme is subject to a number of conditions, including:

- ASIC and the ASX issue or provide the consents or approvals which Wridgways and Santa Fe agree are necessary to implement the Transaction;
- no material adverse change or prescribed event occurs in relation to Wridgways;
- the market material adverse change clause is not triggered;
- Wridgways Shareholders approve the Scheme at the Scheme Meeting; and
- the Court approves the Scheme.

These conditions are summarised in Section 6.13 of this document and set out in full in clause 3.1 of the Implementation Agreement (a copy of which, excluding annexures, is set out in Annexure B of this document).

4. Information on Wridgways

4.1 Overview

Wridgways is Australia's only listed relocation services company. It is a leading industry player in household and commercial relocations.

The Wridgways Group consists of Wridgways and its principal operating subsidiaries, Wridgways Limited and Wridgways Business Relocations Pty. Ltd. Wridgways Business Relocations Pty. Ltd. has not traded for 6 years and has no assets or liabilities. An application has been made by Wridgways Business Relocations Pty. Ltd. to ASIC under the Corporations Act for voluntary deregistration. If ASIC approves this deregistration, then Wridgways Business Relocations Pty. Ltd. will cease to exist.

By way of background, the business that is now known as Wridgways was established in Melbourne in 1892 by Mr Ernest Wridgway. Wridgways operated as a private company until 1975. In 1975, it was purchased by Ansett Transport Industries Limited. In 1994, Wridgways was sold to TNT Australia Pty Limited. In 1997, Wridgways was acquired from TNT Australia by its management team and two management buy-out funds. The majority of that management team remain with Wridgways today, including Mr Desmond F Stickland (the Managing Director), Mr Brian C Clarke (the Finance Director), Mr Desmond Sutton, Mr Vince Ford and Mr Steven Crowle.

In May 1999, Wridgways was listed on the ASX, when the management buy-out funds sold their interests in 16 million shares into the float. Following the float, there were 32 million shares on issue.

Today, Wridgways is one of Australia's leading providers of removalist and relocation services on a local, interstate and overseas basis. The services that it provides includes packaging, storage, relocation solutions and facilities and customer services.

Wridgways has 30 offices and storage facilities located across 27 locations in key cities and regional and rural areas throughout Australia. Wridgways also operates through a network of over 600 professional agents in 90 countries worldwide.

Wridgways operates through the following five business divisions:

Business division	Nature of services
The Removalists	Australian domestic relocation business.
The Worldwide Movers	Inbound and outbound removal services through over 600 agents in 90 countries.
Move Dynamics	A specialist removals and storage broker servicing the needs of federal and state governments on a fixed fee for service basis.
Move Solutions	Provides a range of relocation services to corporate and government employees.
Project Management	Provides management and logistics services to the hotel and resort industry.

As part of its relocations and removals business, Wridgways also provides storage, insurance, cleaning and vehicle transport services.

Wridgways is a foundation member of 4 industry associations: Australian Furniture Removers Association, Australian International Movers Association, FIDI and Overseas Moving Network Incorporated.

Wridgways is also a member of the following associations: European Relocation Association, Australian Human Resource Institute and Employers Relocation Council.

Wridgways holds the following accreditations: ISA 9002: Quality Management Systems, AS-NZ 4801: Occupational Health and Safety management Systems and ISO 14001: Environmental Management Systems.

4.2 Directors

The Board comprises the following Directors:

- Mr Bryan D Weir (Chairman);
- Mr Desmond F Stickland (Managing Director);
- Mr Brian C Clarke (Executive Director);
- Mr Andrew L Horsley (Non-executive Director); and
- Mr Peter AS Jones (Non-executive Director).

4.3 Wridgways financial information

On 19 August 2010, Wridgways announced its financial results for the financial year ended 30 June 2010. Wridgways recorded an after tax profit of \$6.192 million (a reduction of 7.1% on the previous year) on annual revenue of \$116.3 million (down by 6.4% on the previous year).

The Directors resolved to maintain a fully franked dividend of \$0.11 per share, which was paid on 6 October 2010 to those persons who were registered as holders of Wridgways Shares on 29 September 2010.

The Board believes that trading conditions in the relocations industry will remain difficult through to at least the end of calendar 2010 after which a slow but steady general uplift in the overall economy has been forecast. The Board is currently forecasting an after tax profit of \$6.014 million in the financial year ending 30 June 2011, which is a reduction of 2.9% from the 2009-2010 financial year.

The assumptions underlying the Board's forecast of an after tax profit of \$6.014 million in the financial year ending 30 June 2011 as described in the Independent Expert's Report are as follows:

Assumption	Explanation
Increased Relocation Activity	<p>As the Australian economy recovers, and in particular the mining sector, a skills shortage is expected to generate increased relocation activity domestically and inbound from overseas.</p> <p>Wridgways expects a significant upturn as major customers ramp up recruitment towards the end of 2010.</p>

Interstate and Intrastate Revenue	Forecast to increase 5% in FY11 due to increased mining activity and associated infrastructure and service industries activity. Significant improvement expected in Queensland market.
Export Revenue	Forecast to grow by 6% in FY11 after maintaining fairly stable activity through the downturn. Regional centres continue to contribute solid export revenue and profits.
Import Revenue	Forecast to increase 8% in FY11 driven by recovery in mining sector. Global partners and in particular booked inbound business from Australian based accounts expected to drive this growth.
Direct Costs / Margins	<p>Insurance, packing and freight costs generally expected to increase. Wages to reflect increased trading, in addition to 3% increase in blue collar wages passed in April 2010.</p> <p>Motor vehicles and other costs expected to remain at similar levels to FY10, while increased property costs predominantly reflect Wridgways' Perth property rental being adjusted to market during FY10.</p> <p>Overall, margins expected to continue to reduce given the increasingly competitive nature of the industry.</p>
Indirect Costs	<p>Increased administration salaries reflect 3% wage increase passed in April 2010.</p> <p>Computer expenses budgeted to increase with the requirement to improve several core applications in FY11.</p> <p>Advertising, telephone, travel, accommodation and other costs all to remain at similar levels to FY10.</p>

*Extracted from the Independent Expert's Report. Please refer to Figure 5.1.1 of the Independent Expert's Report for the Independent Expert's comments on these assumptions.

A summary of the financial results of the consolidated Wridgways Group as set out in the Preliminary Financial Report as follows:

Results summary for	30 June 2010 (\$,000)	30 June 2009 (\$,000)	% change
Revenue	116,300	124,268	(6.4)
EBIT* (Earnings before interest expense and tax)	8,788	9,492	(7.4)
Profit after tax	6,192	6,666	(7.1)
Earnings per share – diluted (cents)	19.35c	20.83c	(7.1)
Final dividend per share (cents – fully franked)	11.0c	11.0c	0.0

*Wridgways does not exclude interest income when calculating revenue and EBIT. The Independent Expert has excluded interest income in its calculation of Wridgways' revenue and EBIT in the Independent Expert's Report.

Abbreviated Wridgways Balance Sheets as at 30 June 2010 and 30 June 2009 (based on the Balance Sheet information set out in the Preliminary Financial Report) are set out below:

Abbreviated Wridgways Balance Sheets as at	30 June 2010 (\$,000)	30 June 2009 (\$,000)
Assets		
Current assets	19,431	19,744
Non-current assets	19,279	19,050
Total assets	38,710	38,794
Liabilities		
Current liabilities	20,293	21,107
Non-current liabilities	487	509
Total liabilities	20,780	21,616
Net assets	17,930	17,178
Net assets per share (\$ per share)	0.56	0.54
Net tangible assets per share (\$ per share)	0.22	0.21

The Preliminary Financial Report is available via the ASX Company Announcements platform or the Wridgways Website.

5. Information on Santa Fe

5.1 Overview of Santa Fe Australia

Santa Fe Moving & Relocation Services Australia Pty. Ltd. (**Santa Fe Australia**) is an indirect wholly-owned subsidiary of Santa Fe. It was incorporated in Australia and registered in Victoria on 9 September 2010 for the purposes of acquiring Wridgways Shares under the Scheme and is not involved currently in any other business. The directors of Santa Fe Australia are:

- Mr Lars Lykke Iversen, Chief Executive Officer of the Santa Fe group;
- Mr Torben Jespersen, Chief Financial Officer of the Santa Fe group; and
- Ms Elisabeth Houston, an Australian lawyer.

5.2 Overview of Santa Fe

Santa Fe Holdings Ltd. (**Santa Fe**) is the holding company of the Santa Fe group. The Santa Fe group is a leading relocation services organisation, operating primarily in the Asian region and providing a comprehensive range of the highest quality services, including immigration / visa, home / school search, language / cultural training, tenancy management, financial management and moving, to individuals and corporate clients. The group is headquartered in Hong Kong with its principal executive offices at 18th Floor CC Wu Building, 302-308 Hennessy Road, Wanchai, Hong Kong.

The Santa Fe group currently operates through offices in 14 countries and 41 cities and territories across Asia and the Middle East, including China, Hong Kong, India, Indonesia, Japan, Macau, Malaysia, the Philippines, Singapore, South Korea, Taiwan, Thailand, United Arab Emirates, and Vietnam.

The Santa Fe group handles in excess of 23,000 relocations around the world each year.

In addition to relocation services, the Santa Fe group also provides state of the art records management services across Asia.

The Santa Fe group has no activities or investments in Australia beyond Santa Fe Australia and Santa Fe Australia's immediate parent, Santa Fe Holdings Australia Pty. Ltd. This Australian parent was also incorporated in Australia and registered in Victoria on 9 September 2010 for the purposes of owning Santa Fe Australia and is not involved currently in any other business.

Santa Fe Holdings Ltd. is a wholly-owned subsidiary of A/S Det Østasiatiske Kompagni (**Bidder Parent**). Bidder Parent is a Danish company listed on the exchange Nasdaq OMX Nordic. Bidder Parent operates two strategic businesses, one of which is Santa Fe. Bidder Parent had revenue of approximately 6,607 million Danish kroner (about \$1,227 million) and a full year operating profit of around 510 million Danish kroner (approximately \$95 million) for the year ended 31 December 2009. Both figures assume a DKK/AUD: 5.3865 exchange rate.

5.3 Funding arrangements

The consideration for the acquisition of Wridgways Shares to which the Scheme relates will be satisfied wholly in cash. Based on the number of Wridgways Shares on issue as at the date of this document, the maximum Scheme Consideration that will be payable by Santa Fe Australia is \$89,600,000.

Santa Fe and Bidder Parent have agreed to provide, or procure the provision of, such amounts to Santa Fe Australia sufficient to pay the Scheme Consideration and all costs of Santa Fe Australia associated with the Scheme, as and when those payments are required to be made.

Santa Fe's intention, as at the date of this document, is for the necessary funds to be provided from a combination of its own cash reserves and the cash reserves of Bidder Parent. As at 28 September 2010, Santa Fe and Bidder Parent held combined cash reserves of approximately DKK 1 billion. Based on prevailing currency exchange, these reserves are greater than the total Australian dollars needed to fund the scheme. These reserves are held on deposit at Nykredit Bank A/S and Jyske Bank A/S in Denmark and HSBC Hong Kong and have not been reserved for any other purpose. They can be drawn down at any time by Santa Fe and Bidder Parent without pre-condition.

Santa Fe will provide the necessary funds upon written request from Santa Fe Australia. The funds will be made available either as an intercompany loan or through a subscription for equity. Santa Fe may not require the return of any amount provided to Santa Fe Australia until after the time the Scheme Consideration is paid to Scheme Shareholders.

It is possible that, prior the date on which Santa Fe Australia must pay the Scheme Consideration in accordance with the Scheme, Santa Fe or Santa Fe Australia (or both) will arrange financing for the Scheme Consideration (or part of it) through an Australian or overseas financial institution. If this occurs, and Santa Fe would prefer for the Scheme Consideration to be funded in this way, Santa Fe or Santa Fe Australia (as applicable) will draw down on such funds in accordance with the terms of such financing. If such funds cannot be drawn down at the relevant time for any reason (for example, because a condition to draw down is not met), Santa Fe will provide Santa Fe Australia with the necessary funds through the cash reserves referred to above.

On 20 September 2010 Bidder Parent provided Wridgways with a Standby Letter of Credit (issued by Nykredit Bank A/S) as security for the full payment of the Scheme Consideration. Wridgways may enforce the letter of credit in accordance with its terms if Santa Fe Australia does not pay the Scheme Consideration in accordance with the Scheme.

On the basis of the arrangements described in this Section, Santa Fe and Santa Fe Australia believe that they have reasonable grounds for holding the view, and hold the view, that Santa Fe Australia will be able to pay the Scheme Consideration as and when it is due under the terms of the Scheme. The Scheme is not subject to any financing condition.

5.4 Rationale for Santa Fe's acquisition of Wridgways

There are significant scale benefits to be derived by combining the businesses of Wridgways and Santa Fe. Australian companies invest increasing resources in Asia, including the frequent transfer of executives between Australia and Asian countries. Furthermore, Asian-based companies and individuals similarly pursue opportunities in Australia.

When completed, the acquisition of Wridgways will be an important step in consolidating Santa Fe as a market leader in the Asia-Pacific region. It will double Santa Fe's revenue and establish a unique market position for the combined businesses in the fast growing economies of Asia-Pacific and the Middle-East with operations in 15 countries through 71 offices and with over 2,100 employees. The combined businesses will handle some 42,000 relocations annually.

5.5 Santa Fe's intentions for the business, assets and employees of Wridgways

This Section sets out Santa Fe's intentions in relation to:

- the continuation of the business of Wridgways;
- any major changes to the business of Wridgways and any redeployment of the fixed assets of Wridgways; and
- the future employment of the present employees of Wridgways,

if the Scheme is implemented.

These intentions are based on the information concerning Wridgways, its business and the general business environment which is known to Santa Fe at the time of preparation of this document.

Final decisions about these matters will only be made by Santa Fe in light of material information and circumstances at the relevant time. Accordingly, the statements set out in this Section are statements of current intention only, which may change as new information becomes available to Santa Fe or as circumstances change.

(a) **Removal from the ASX**

Santa Fe intends to arrange for Wridgways to be removed from the official list of the ASX after the Implementation Date.

(b) **Board**

Santa Fe intends to reconstitute the Board with its own nominees on the Implementation Date. The identity of those nominees has not yet been finalised. Final decisions on the identities of those nominees will be made closer to the Implementation Date.

(c) **General operational review**

If it acquires all of the Wridgways Shares, Santa Fe intends to conduct a broad based general review of Wridgways' assets, businesses, personnel and operations. While Santa Fe does not have any specific intentions in relation to this review or its outcomes, its current expectation is that the review will focus on identifying opportunities in relation to:

- improvements in business and information technology systems that can be obtained from introducing Santa Fe's systems to the Wridgways' business;
- combining and/or transferring certain products and services between the offices in Asia and Australia to exploit best practices and offer an improved product portfolio to customers;
- obtaining scale benefits in both supplier and customer relationships;
- consolidating insurance arrangements, and
- combining selected administrative functions either within Wridgways or within Santa Fe to increase efficiency and minimise duplication.

(d) **Employees**

Santa Fe intends to retain all of Wridgways' employees but will not be able to make a final decision on this matter until it has conducted a general operational review.

Other than as set out in this Section, it is the present intention of Santa Fe to:

- generally continue the business of Wridgways;
- not make any major changes to the business of Wridgways nor to redeploy any of the fixed assets of Wridgways; and
- continue the employment of Wridgways' present employees.

5.6 Information on Wridgways securities

(a) Relevant Interests and voting power

As at the date of this document:

- (i) neither Santa Fe nor any related party had a Relevant Interest in any Wridgways Shares; and
- (ii) the voting power of each of Santa Fe and Santa Fe Australia in Wridgways was nil.

(b) No dealings in the previous four months

Except for the consideration agreed to be provided under the Scheme, during the four months before the date of this document, none of Santa Fe, Santa Fe Australia and their associates provided (or agreed to provide) consideration for any Wridgways Shares under a purchase or an agreement.

(c) Benefits during the previous four months

Except as set out in this document, during the four months before the date of this document, none of Santa Fe, Santa Fe Australia and their associates gave, or offered or agreed to give, a benefit to another where the benefit was likely to induce the other person, or an associate of the other person, to:

- (i) vote in favour of the Scheme; or
- (ii) dispose of Wridgways Shares,

where the benefit was not offered to all Wridgways Shareholders.

6. Implementation of the Proposal

All dates referred to in this Section 6 are indicative only. The actual dates on which events referred to in this Section 6 occur will depend on many factors outside the control of Wridgways, including the Court approval process and the time at which the conditions precedent to the Scheme are satisfied or, if applicable, waived. Those conditions are summarised in Section 6.13(b) of this document. Wridgways has the right to vary all dates subject to the approval of such variation by Santa Fe, the Court and the ASX where required. Any variation to the dates referred to in this Section 6 will be announced to the ASX and published on the Wridgways Website.

6.1 Scheme Meeting

In accordance with an order of the Court dated 19 October 2010, Wridgways Shareholders will be asked to approve the Scheme at the Scheme Meeting to be held at PricewaterhouseCoopers, Level 10, Darling Park Tower 2, 201 Sussex Street, Sydney on Thursday, 25 November 2010 commencing at 11.30am. The notice convening the Scheme Meeting is set out in Annexure E of this document.

At the Scheme Meeting, Wridgways Shareholders will be asked to consider and, if thought fit, to pass a resolution approving the Scheme. For the acquisition of all Wridgways Shares by Santa Fe Australia to proceed and the Scheme Consideration to become payable, the Scheme must be approved by a majority in number of Wridgways Shareholders present and voting at the Scheme Meeting (in person, by attorney, by proxy or, in the case of corporate Wridgways Shareholders, by corporate representative) who must together hold at least 75% of the votes cast on the resolution.

6.2 Annual General Meeting

Wridgways Shareholders will be asked to consider and, if thought fit, to pass the Financial Assistance Resolution at the Annual General Meeting (amongst other resolutions). The Annual General Meeting is scheduled to start at the later of 12.00 noon and the conclusion or adjournment of the Scheme Meeting at PricewaterhouseCoopers, Level 10, Darling Park Tower 2, 201 Sussex Street, Sydney, Sydney on Thursday, 25 November 2010. The notice convening the Annual General Meeting is set out in Annexure F of this document. Even if the Scheme is approved by Wridgways Shareholders and the Court and the Financial Assistance Resolution is approved, it is not certain that the Board will declare the Discretionary Special Dividend.

6.3 Second Court Hearing

If the Scheme is approved by Wridgways Shareholders, and all other conditions to the Scheme (other than approval by the Court) and any other conditions to be imposed by the Court under section 411(6) of the Corporations Act have been satisfied or waived, Wridgways will apply to the Court for orders approving the Scheme following the Scheme Meeting.

Each Wridgways Shareholder has the right to appear at the Second Court Hearing in respect of the Scheme. The Second Court Hearing is currently scheduled to occur on Thursday, 2 December 2010. Any change to this date will be announced through the ASX and notified on the Wridgways Website.

6.4 Effective Date

If the Court approves the Scheme, Wridgways will lodge with ASIC an office copy of the Court order approving the Scheme. Wridgways intends to lodge this with ASIC on Friday, 3

December 2010. The Scheme comes into effect on the date on which Wridgways lodges the office copy of the Court order approving the Scheme with ASIC. This date is referred to in this document as the Effective Date.

6.5 Suspension of trading in Wridgways Shares

It is contemplated that suspension of trading in Wridgways Shares on the ASX will occur from close of trading on the Effective Date. This is expected to be Friday, 3 December 2010.

6.6 Scheme Record Date

Wridgways Shareholders will be entitled to receive the Scheme Consideration if they are registered as the holders of Wridgways Shares on the Scheme Record Date. The Scheme Record Date is 8 Business Days after the Effective Date or such other date (after the Effective Date) as Wridgways and Santa Fe may agree. The Scheme Record Date is currently contemplated to be 7.00pm on Wednesday, 15 December 2010.

6.7 Scheme End Date

The Scheme contains an “end date” in respect of the implementation of the Scheme. The end date is 20 March 2011.

Under clause 3.1(c) of the Scheme, if the Effective Date (that is, the date on which the Scheme becomes “Effective”) does not occur on or before 20 March 2011, then the Scheme will lapse and be of no further force and effect.

The “end date” concept is referred to also in Section 6.13(g) and 6.13(j).

6.8 Determination of persons entitled to Scheme Consideration

(a) Dealings on or prior to the Scheme Record Date

For the purposes of establishing who Scheme Shareholders are, dealings in Wridgways Shares will be recognised by Wridgways provided that:

- in the case of dealings of the type to be effected using CHESSE, the transferee is recorded on the Register as the holder of the relevant Wridgways Shares on or before the Scheme Record Date; and
- in all other cases, registrable transmission applications or transfers in respect of those dealings are received on or before the Scheme Record Date at the place where the Register is kept.

Wridgways may not accept for registration, nor recognise for any purpose, any transfer or transmission application in respect of Wridgways Shares received prior to the Scheme Record Date not in registrable form.

(b) Dealings in Wridgways Shares after the Scheme Record Date

For the purpose of determining entitlements to the Scheme Consideration, Wridgways will, until payment of such Scheme Consideration has been made, not accept for registration, nor recognise for any purpose, any transfer or transmission application in respect of Wridgways Shares received after the Scheme Record Date.

From the Scheme Record Date and until registration of Santa Fe Australia as the holder of all Scheme Shares, no Wridgways Shareholder may deal with Wridgways Shares in any way except as set out in the Scheme and any attempt to do so will have no effect.

6.9 Implementation Date

The Implementation Date is the date which is 1 Business Day after the Scheme Record Date, and is currently expected to be 16 December 2010. Before 12.00 noon on the Implementation Date, Santa Fe or Santa Fe Australia will pay or procure the payment of the total Scheme Consideration payable for all the Scheme Shares held by the Scheme Shareholders, and on the Implementation Date the Scheme Shares will be transferred to Santa Fe Australia.

As soon as practicable following implementation of the Scheme on the Implementation Date, Wridgways will pay the Scheme Consideration to each Scheme Shareholder for the Scheme Shares held by that Scheme Shareholder. In the case of Scheme Shares held in joint names, the Scheme Consideration will be paid by a cheque forwarded in the name of the holder whose name appears first in the Register or where the joint holders have nominated a bank account, the amount shall be deposited directly to the nominated bank account of the joint holders.

6.10 Warranty by Wridgways Shareholders about their Wridgways Shares

The effect of clause 8.3 of the Scheme is that all Wridgways Shareholders, including those who vote against the Scheme and those who do not vote, will be deemed to have warranted to Wridgways, in its own right and for the benefit of Santa Fe Australia, that:

- all of its Wridgways Shares (including any rights and entitlements attaching to those shares) which are transferred to Santa Fe Australia under the Scheme will, on the date on which they are transferred to Santa Fe Australia, be free from all mortgages, charges, liens, encumbrances and interests of third parties of any kind, whether legal or otherwise and restrictions on transfer of any kind;
- all of its Wridgways Shares (including any rights and entitlements attaching to those shares) which are transferred to Santa Fe Australia under the Scheme will, on the date on which they are transferred to Santa Fe Australia, be fully paid; and
- it has full power and capacity to sell and to transfer its Wridgways Shares (including any rights and entitlements attaching to those shares) to Santa Fe Australia.

Wridgways Shareholders who breach this warranty may be liable to pay to Santa Fe Australia any amounts paid by Santa Fe Australia to acquire clear title to their Wridgways Shares.

6.11 Effect of the Scheme on creditors

The Scheme, if implemented, will not materially prejudice Wridgways' ability to pay its creditors as it involves the purchase of the Wridgways Shares rather than Wridgways' underlying assets. No material new liability (other than transaction costs and the drawing down of the loan facility agreement(s) in relation to the Discretionary Special Dividend as contemplated in Section 2.10 of this document) is expected to be incurred by Wridgways as a consequence of the implementation of the Scheme. Wridgways has paid and is paying all of its creditors within normal terms of trade and is solvent and trading in an ordinary commercial manner.

6.12 Stamp duty

Wridgways does not expect that any stamp duty will be payable on the transfer of the Scheme Shares to Santa Fe Australia. However, if stamp duty is payable, one or the other of Santa Fe and Santa Fe Australia will pay such stamp duty.

6.13 Key terms of the Implementation Agreement

(a) Overview

Wridgways and Santa Fe entered into the Implementation Agreement on 20 September 2010. Key terms of the Implementation Agreement are summarised below and the Implementation Agreement, excluding annexures, is set out in Annexure B of this document.

(b) Conditions precedent

Implementation of the Scheme is subject to conditions precedent which include the following:

- ASIC and the ASX issue or provide the consents or approvals which Wridgways and Santa Fe agree are necessary to implement the Transaction;
- no restraints, injunctions or other orders are issued by any Regulatory Authority (as defined in the Implementation Agreement) or other legal restraint or prohibition prevent the Transaction from coming into effect;
- no Wridgways Material Adverse Change (as defined in the Implementation Agreement) occurs;
- no Market Material Adverse Change (as defined in the Implementation Agreement) occurs;
- no Wridgways Prescribed Occurrence (as defined in the Implementation Agreement) occurs;
- Wridgways Shareholders approve the Scheme at the Scheme Meeting;
- the Court approves the Scheme in accordance with section 411(4)(b) of the Corporations Act;
- the representations and warranties of Wridgways and Santa Fe (as made in favour of the other in the Implementation Agreement) are true and correct; and
- the Independent Expert's Report states that, in the Independent Expert's opinion, the Scheme is in the best interests of the Wridgways Shareholders.

(c) No solicitation

During the Exclusivity Period, Wridgways has agreed that it will not, and must ensure that none of its Representatives, solicit, invite or initiate any Competing Proposal or any enquiries, negotiations or discussions with any third party in relation to, or that may reasonably be expected to lead to, a Competing Proposal except with the prior written consent of Santa Fe.

(d) No talk and no due diligence

During the Exclusivity Period, Wridgways has agreed that it will not, and must ensure that none of its Representatives, participate in any negotiations in relation to a Competing Proposal or which may be reasonably be expected to lead to a Competing Proposal, or provide any information to a third party for the purposes of enabling that party to make a Competing Proposal, or communicate any intention to do any of these things.

This obligation does not apply if the Board, acting in good faith, after having obtained written advice from its legal and financial advisers, determines that failing to respond to the Competing Proposal would be likely to constitute a breach of what the Board considers to be its fiduciary and statutory duties.

(e) **No commitments**

During the Exclusivity Period, Wridgways must not, and must ensure that its Representatives do not, except with the prior written consent of Santa Fe, enter into any agreement, arrangement or understanding in relation to a Competing Proposal which would have the effect of requiring Wridgways to abandon, or otherwise fail to proceed with, the Transaction.

This obligation does not apply if the Board, acting in good faith, and in order to satisfy what the Board considers to be its fiduciary or statutory duties, determines that the Competing Proposal is a Superior Proposal.

(f) **Notification of Competing Proposal and right of last offer**

Under clause 7 of the Implementation Agreement, in respect of the Wridgways ASX company announcement of 20 September 2010, this document and in any other public statement made after the execution of the Implementation Agreement and relating to the Scheme or the Transaction, each Director must recommend that Wridgways Shareholders vote in favour of all resolutions to be proposed at the Scheme Meeting and approve the Scheme without any qualification other than a qualification that the recommendation is subject to:

- no Superior Proposal being made; and
- the Independent Expert opining in its final report to Wridgways for inclusion in this document that the Scheme is in the best interests of Wridgways Shareholders.

If at any time during the Exclusivity Period, any Director wishes to approve or publicly recommend entry into any agreement, commitment, arrangement or understanding relating to a Competing Proposal, then Wridgways must ensure that the Director does not do so unless, amongst other things:

- the Competing Proposal is a Superior Proposal; and
- Wridgways has given Santa Fe 5 Business Days notice of its intention to enter into an agreement, commitment, arrangement or understanding in relation to the Competing Proposal as well as full details of all material terms of the Competing Proposal.

During that 5 Business Day period, Santa Fe has the right to offer a counter proposal that will provide for an equivalent outcome for Wridgways Shareholders to the applicable Competing Proposal. If Santa Fe makes a counter proposal, Wridgways and the Board must consider it in good faith and may communicate it to the third party who has submitted the Competing Proposal. Santa Fe has the right to match each successive Competing Proposal.

(g) **Break Fee**

Under the Implementation Agreement, provided Santa Fe is not in breach of a material obligation, Wridgways must pay Santa Fe the Break Fee in the following circumstances:

- if both:
 - at any time before the Scheme Meeting, any Director fails to recommend that Wridgways Shareholders vote in favour of Scheme, makes any public statement or takes any action that contradicts their recommendation or withdraws their recommendation; and
 - Wridgways Shareholders fail to approve the Scheme by the requisite majorities in each case other than as a result of:

- the Independent Expert opining in its final report for inclusion in the Explanatory Memorandum (being this document), that the Scheme is not in the best interests of Wridgways Shareholders or modifying its report to so opine;
 - in circumstances where Wridgways gives Santa Fe notice of a Competing Proposal and Santa Fe's rights of last offer are exhausted but the Board decides in good faith that the Competing Proposal is a Superior Proposal; or
 - Wridgways validly terminating the Implementation Agreement under clauses 14.1(b), 14.1(d) or 14.3(b) of the Implementation Agreement;
- if as a result of a failure by Wridgways to comply with any obligation under the Implementation Agreement:
 - the Court fails (taking into account all appeals) to approve the Scheme for the purpose of section 411(1)(b) of the Corporations Act; or
 - the Effective Date of the Scheme has not occurred prior to 20 March 2011; or
 - if at any time prior to the Scheme becoming Effective a Competing Proposal is announced and, within 12 months of such announcement, that Competing Proposal or a transaction substantially similar to that Competing Proposal:
 - results in a person obtaining control of, or merging with, Wridgways;
 - is completed; or
 - in the case of a Competing Proposal that involves a takeover bid made under Chapter 6 of the Corporations Act, becomes free from any defeating conditions as that term is defined in the Corporations Act.

(h) **Reverse Break Fee**

Under the Implementation Agreement Santa Fe must pay Wridgways the Reverse Break Fee if the following conditions are satisfied:

- each Director complies with their obligations in respect of their recommendations and intentions in relation to the Scheme under clause 7 of the Implementation Agreement;
- Wridgways does not breach any material obligation under the Implementation Agreement prior to the Scheme Meeting;
- the Court makes an order under section 411(1) of the Corporations Act directing Wridgways to convene the Scheme Meeting;
- each Director votes at the Scheme Meeting in favour of the Scheme any Wridgways Shares in which they have a Relevant Interest and in respect of which they have power to vote; and
- Wridgways Shareholders do not approve the Scheme by the requisite majorities under the Corporations Act.

(i) **Termination by Wridgways**

Wridgways may terminate the Implementation Agreement if any of the following events occur:

- at any time before 8.00am on the Second Court Date if all of the Directors have changed, withdrawn or modified their recommendation that Wridgways shareholders vote in favour of the Scheme (in the absence of a Superior Proposal) because either the Board determines that a Competing Proposal is a Superior Proposal (after Santa Fe's right of last offer is exhausted) or the Independent Expert modifies the Independent Expert's Report such that it no longer concludes that the Scheme is in the best interests of Wridgways Shareholders; or
- at any time after 8.00am on the Second Court Date and before the Implementation Date if Santa Fe or Santa Fe Australia suffers an Insolvency Event (as defined in the Implementation Agreement).

(j) **Termination by either party**

Either party may terminate the Implementation Agreement if any of the following events occur:

- if the Scheme has not become Effective before 20 March 2011 (other than as a result of a breach by the terminating party of its obligations under the Implementation Agreement);
- at any time before 8.00 am on the Second Court Date if:
 - the other party has materially breached any provision of the Implementation Agreement (including any warranty);
 - the party wishing to terminate has given written notice to the other setting out the relevant circumstances of the breach and stating an intention to terminate the Implementation Agreement; and
 - the relevant circumstances continue to exist for 5 Business Days (or any shorter period ending at 8.00am on the Second Court Date) from the time the notice referred to above is given;
- if the Scheme is not approved by the requisite majorities required under the Corporations Act; or
- if it is permitted to in accordance with clause 3.10 of the Implementation Agreement (which generally permits a party to terminate where a condition to the Scheme is not satisfied or waived and the parties cannot otherwise agree a means to proceed).

6.14 Deed Poll

Under the terms of the Deed Poll, Santa Fe and Santa Fe Australia have agreed in favour of Scheme Shareholders to pay or procure the payment of the Scheme Consideration to each Scheme Shareholder in accordance with the terms of the Scheme.

The Deed Poll may be relied upon by any Scheme Shareholder, despite the fact that they are not a party to it.

The Deed Poll is governed by the laws of New South Wales and is set out in full in Annexure C of this document.

7. Additional information

7.1 Intentions of Wridgways Directors concerning the business of Wridgways

If the Scheme is implemented, the existing Directors will resign from the Board provided that a proper Board is constituted at all times. Accordingly, the existing Directors are not able to make any statements of intentions regarding:

- the continuation of the Wridgways business or how the business will be conducted after the implementation of the Scheme;
- any major changes to the Wridgways business, including any redeployment of the fixed assets of Wridgways; or
- the future employment of present Wridgways employees.

Santa Fe has provided an outline of its intentions for Wridgways' operations in Section 5.5 of this document.

7.2 Financial Assistance

The payment by Wridgways of the Discretionary Special Dividend to Wridgways Shareholders raises the issue of 'financial assistance' under the Corporations Act.

Section 260A of the Corporations Act permits a company to financially assist a person to acquire shares in the company if, for example, the financial assistance is approved by shareholders under section 260B. The Financial Assistance Resolution which will be put to Wridgways Shareholders at the Annual General Meeting is a resolution for the purposes of section 260B of the Corporations Act.

A company may be regarded as giving financial assistance if it makes a payment of money (such as a dividend) or if it provides something needed in order that a transaction be carried out or something in the nature of aid or help.

Under the Proposal, Wridgways may be regarded as giving "financial assistance" if it pays the Discretionary Special Dividend, or it gives representations or undertakings to its financiers under the loan facility, which in turn facilitates the Proposal to be carried out.

The Corporations Act provides that Wridgways may provide this financial assistance if it is approved by Wridgways Shareholders by a special resolution passed at a general meeting of Wridgways Shareholders, with no votes being cast in favour of the resolution by Santa Fe Australia or by its "associates".

The Board will not declare the Discretionary Special Dividend unless it concludes that the declaration of this dividend is in the best interests of Wridgways.

7.3 Material changes in the financial position of Wridgways

Within the knowledge of the Directors, the financial position of Wridgways has not materially changed since 30 June 2010, being the date of the last balance sheet laid before the Company in general meeting or sent to Wridgways Shareholders in accordance with section 314 or 317 of the Corporations Act, as set out in the Preliminary Final Report (and summarised in Section 4.3 of this document).

Since the date of the Preliminary Final Report, the financial position of Wridgways has not materially changed, other than for:

- the impact of the payment of the Announced Dividend on Wridgways cash account (being \$3.52 million), since the release of the Preliminary Final Report;
- the impact of year to date earnings; and
- the impact of non-contingent Transaction costs of approximately \$1.0 million.

7.4 Capital structure of Wridgways

As at the date of this document, Wridgways has on issue 32 million fully paid ordinary shares.

7.5 Notifiable interests

As at 19 October 2010, the following persons had notified Wridgways that they had a Relevant Interest in 5% or more of Wridgways Shares.

Name	Number of Wridgways Shares	Percentage of Wridgways Shares on issue
Mr Desmond F Stickland (Managing Director)	3,090,000	9.66%

7.6 Marketable securities held by Wridgways Directors

No marketable securities of Wridgways are held by or on behalf of Directors and no such persons are otherwise entitled to such securities as at the date of this document other than as listed below.

Director	Number of Wridgways Shares
Mr Bryan D Weir (Chairman)	84,000
Mr Desmond F Stickland (Managing Director)	3,090,000
Mr Brian C Clarke (Executive Director)	1,210,626

Mr Peter AS Jones and Mr Andrew L Horsley do not hold any marketable securities of Wridgways.

Each of the Directors will vote in favour of the Scheme all Wridgways Shares in which they have a Relevant Interest and in respect of which they have the power to vote, in the absence of a Superior Proposal.

No marketable securities of Santa Fe or Santa Fe Australia are held by or on behalf of Directors as at the date of this document.

7.7 Agreements or arrangements with Wridgways Directors

There are no agreements or arrangements made between any Director and any other person, including Santa Fe and Santa Fe Australia, in connection with or conditional upon the outcome of the Scheme.

7.8 Payments or other benefits to Wridgways Directors and Wridgways executive officers

It is not proposed that any payment or other benefit will be made or given to any Director, secretary or executive officer of Wridgways, or any body corporate related to Wridgways, as compensation for loss of, or as consideration for or in connection with, his or her retirement from office as Director, secretary or executive officer of Wridgways or a body corporate connected with Wridgways.

7.9 Interests of Directors in contracts entered into by Santa Fe

No Director has any interest in a contract entered into by Santa Fe or Santa Fe Australia.

7.10 No unacceptable circumstances

The Directors believe that the Scheme does not involve any circumstances in relation to the affairs of any member of the Wridgways Group that could reasonably be characterised as constituting "unacceptable circumstances" for the purposes of section 657A of the Corporations Act.

7.11 Publicly available information

Wridgways is listed on the ASX. As such, Wridgways is a disclosing entity for the purposes of the Corporations Act and is subject to regular reporting and disclosure obligations. As a company listed on the ASX, Wridgways is subject to the ASX Listing Rules which require immediate disclosure to the market of any information of which Wridgways is aware which a reasonable person might expect to have a material impact on the price or value of its securities.

ASIC also maintains a record of documents lodged with it by Wridgways, and these may be obtained from or inspected at any office of ASIC. Information is also available on the Wridgways Website.

7.12 Status of conditions precedent

As stated in Section 6.13(b) of this document, implementation of the Scheme is subject to certain conditions precedent.

ASIC and the ASX have issued or provided the consents or approvals which Santa Fe and Wridgways agree are necessary to implement the Transaction.

7.13 Consents and disclaimers

(a) Consent to be named

The following parties have given and have not, before the time of registration of this document by ASIC, withdrawn their written consent to be named in this document in the form and context in which they are named:

- the Directors;
- Mr Desmond Sutton, Mr Vince Ford and Mr Steven Crowle, as officers of Wridgways;
- Tulloch Corporate Finance Pty Ltd as financial adviser to Wridgways;
- Greenwich Legal Services Pty Ltd as legal adviser to Wridgways;
- Deloitte Touche Tohmatsu as auditor to Wridgways; and

- Computershare Investor Services Pty Limited as the Wridgways Share Registry.

(b) **Consent to be named and to the inclusion of information**

BDO Securities (NSW-VIC) Pty Ltd has given and has not, before the time of registration of this document by ASIC, withdrawn its written consent to be named as the Independent Expert in this document and to the inclusion of the Independent Expert's Report set out in Annexure A of this document and other statements in this document said to be based on statements made by BDO Securities (NSW-VIC) Pty Ltd, in each case in the form and context in which they appear in this document.

(c) **Santa Fe and Santa Fe Australia**

Santa Fe and Santa Fe Australia have each given and have not, before the time of registration of this document by ASIC, withdrawn their written consent to the inclusion of the statements set out in Section 5 of this document in the form and context in which those statements appear.

(d) **Disclaimers of responsibility**

Each person named in Sections 7.13(a), 7.13(b) and 7.13(c) of this document:

- does not make, or purport to make, any statement in this document or any statement on which a statement in this document is based other than, in the case of the Independent Expert, Santa Fe and Santa Fe Holdings, a statement included in this document with the consent of that party; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this document, other than a reference to its name and, in the case of the Independent Expert, Santa Fe and Santa Fe Australia, any statement or report which has been included in this document with the consent of that party.

7.14 Independent Expert

BDO Securities (NSW-VIC) Pty Ltd has prepared the Independent Expert's Report set out in Annexure A of this document opining as to whether the Scheme is in the best interests of Wridgways Shareholders.

The Independent Expert has concluded that the acquisition of Wridgways Shares by Santa Fe Australia under the Scheme is fair and reasonable and in the best interests of Wridgways Shareholders.

BDO Securities (NSW-VIC) Pty Ltd will be paid a fee of \$67,500 (plus GST) in relation to the preparation of its report.

7.15 Other information material to the making of a decision in relation to the Scheme

Except as set out in this document, there is no other information material to the making of a decision in relation to the Scheme, being information that is within the knowledge of any Director, or any director of any Related Entity of Wridgways, which has not previously been disclosed to Wridgways Shareholders.

7.16 Supplementary information

Wridgways will issue a supplementary document to this document if it becomes aware of any of the following between the date of lodgement of this document for registration by ASIC and the Effective Date:

- a material statement in this document is false or misleading;
- a material omission from this document;
- a significant change affecting a matter included in this document; or
- a significant new matter has arisen and it would have been required to be included in this document if it had arisen before the date of lodgement of this document for registration by ASIC.

8. Taxation implications

8.1 Introduction

The following section is an outline of the Australian tax consequences that will generally apply for Australian resident Wridgways Shareholders who hold their shares on capital account and may receive the Announced Dividend and Discretionary Special Dividend and dispose of their Wridgways Shares under the Scheme. As at the date of this document, Wridgways Shareholders who were entitled to receive it will have received the Announced Dividend.

The commentary that is set out in this Section, so far as it applies to the Announced Dividend, only applies in the context of those Wridgways Shareholders who held Wridgways Shares on 29 September 2010, and who were entitled to receive the Announced Dividend.

The comments below also provide a broad overview of the Australian income tax implications for non-Australian resident Wridgways Shareholders who hold their shares on capital account and who may receive the Announced Dividend and Discretionary Special Dividend and participate in the Scheme. It does not take into account the specific circumstances of any particular Wridgways Shareholder.

This outline reflects the current provisions of the Income Tax Assessment Act 1936 (Cth) and the Income Tax Assessment Act 1997 (Cth) (the **Tax Law**) and the regulations made under those Acts, taking into account currently proposed amendments and Wridgways' understanding of the current administrative practices of the ATO. This outline does not otherwise take into account or anticipate changes in the law, whether by way of judicial decision or legislative action, nor does it take into account tax legislation of countries apart from Australia.

The information contained in this outline is of a general nature only. It does not constitute tax advice and should not be relied upon as such.

You are advised to consult your own independent tax adviser regarding the consequences of acquiring, holding or disposing of Wridgways Shares in light of the Tax Law and your particular investment circumstances.

This taxation section deals with the following issues:

- the receipt of the Announced Dividend and the Discretionary Special Dividend;
- the disposal of Wridgways Shares; and
- certain stamp duty and goods and services tax (GST) implications.

The comments set out below are relevant to those persons who hold Wridgways Shares as at the Scheme Record Date as capital assets, for the purpose of investment and to complying superannuation funds. It does not deal with those persons who hold Wridgways Shares who may be subject to special tax rules, such as banks, insurance companies, tax exempt organisations, dealers in securities or shareholders who change their tax residency while holding Wridgways Shares.

Australia continues the process of major taxation reform. As at the date of this document, there is considerable uncertainty as to the breadth and ultimate effect of this reform, and the precise meaning of much of the proposed legislation is unclear and has not been tested before the courts.

8.2 Class Ruling

Wridgways has applied for a Class Ruling from the ATO and has received a draft version of the Class Ruling on certain matters discussed in this Section, including:

- the assessability of the Announced Dividend and Discretionary Special Dividend to Australian resident Wridgways Shareholders;
- the ability of Wridgways Shareholders to claim a tax offset in respect of the Announced Dividend and Discretionary Special Dividend;
- that the capital proceeds received by Wridgways Shareholders do not include any of the Announced Dividend or Discretionary Special Dividends paid by Wridgways;
- that the Commissioner will not make a determination to deny the imputation benefit received by Wridgways Shareholders pursuant to the franking credit streaming provisions;
- that the Commissioner will not make a determination pursuant to the general anti-avoidance provision in section 177EA of the Income Tax Assessment Act (1936); and
- confirmation of the timing of CGT event A1.

The following commentary is based on a favourable final Class Ruling being obtained from the ATO in relation to the above matters. Where referred to below, the views expressed in this Section regarding the above matters have been confirmed by the ATO in the Draft Class Ruling. To the extent that the facts and circumstances set out in the application for the Class Ruling are not materially different from the terms of the Scheme if approved by the Court (which Wridgways expects to be the case), Wridgways anticipates receiving a final version of the Class Ruling following the Implementation Date. The Draft Class Ruling may not be relied upon by Wridgways Shareholders until such a time as it is issued in final form by the ATO. The final version of the Class Ruling must be published and notice of it must be published in the *Gazette*. It is possible, however, that the ATO may take a different view in the final Class Ruling from that expressed in this Section.

Wridgways will display the final version of the Class Ruling on the Wridgways Website as soon as it becomes available.

8.3 Receipt of Announced Dividend and Discretionary Special Dividend

(a) Assessability of Announced Dividend and Discretionary Special Dividend

The Announced Dividend and the Discretionary Special Dividend (to the extent it is declared and paid), will be included in an Australian resident Wridgways Shareholder's assessable income. Neither the Announced Dividend nor the Discretionary Special Dividend will form part of the Scheme Consideration.

Generally, the Announced Dividend and the Discretionary Special Dividend will need to be "grossed-up" by the amount of the franking credits that are attached to each of the dividends. As a result, the amount of the Announced Dividend and the Discretionary Special Dividend, plus the amount of franking credits that are stated to attach to the dividends in the distribution statements received by the Wridgways Shareholder in respect of that dividend, must be included in the Wridgways Shareholder's assessable income.

The ATO has confirmed this understanding in the Draft Class Ruling. The Draft Class Ruling may not be relied upon by Wridgways Shareholders until such time as it is issued in final form by the ATO.

(b) **Franking Tax Offset**

The amount of the franking credits that are stated to attach to the Announced Dividend and/or the Discretionary Special Dividend (as specified on the relevant distribution statement) can, subject to the requirements set out below, generally be used to offset the amount of tax that the Wridgways Shareholder is required to pay.

For a Wridgways Shareholder to be entitled to a tax offset in relation to the franking credits, the shareholder must satisfy the '45-day holding period' rule. Broadly, the 'holding period' rule requires the Wridgways Shareholder to hold the Wridgways Share 'at-risk' for a specified continuous period of at least 45 days (not including the date of acquisition or the date of disposal) in a specific period.

This specific period for which Wridgways Shareholders must hold their Wridgways Shares 'at-risk' is dependent on whether any of the dividends are considered a 'related payment'. This matter is part of the Draft Class Ruling that has been received.

The Announced Dividend should not be considered to be a 'related payment'. The Discretionary Special Dividend is likely to be considered a 'related payment'. The implications are discussed below.

If the Discretionary Special Dividend is considered a 'related payment' to be entitled to a tax offset for the franking credits, a shareholder will need to hold their Wridgways Shares 'at risk' for a continuous 45 day period (not including the date of acquisition or the date of disposal) during the period from 26 October 2010 to 14 December 2010 (being the last day the Wridgways Shares should be held 'at risk' if the Scheme proceeds).

For completeness, any Wridgways Shareholder that acquires their Wridgways Shares on or after 31 October 2010 will not be entitled to a tax offset for the franking credits. To hold shares 'at risk', a shareholder must not have a materially diminished risk of loss or opportunity for gain. Whether a shareholder holds their shares 'at risk' will depend on other arrangements they may have entered into (e.g. risk mitigation strategies such as put options etc.).

The Draft Class Ruling received from the ATO clarifies the application of certain aspects of the holding period rule. In particular, the Draft Class Ruling clarifies when a Wridgways Shareholder will no longer hold their Wridgways Shares 'at risk' as a result of the Scheme. The ATO has stated in their Draft Class Ruling that this will be from the Scheme Record Date.

The holding period rule will not apply to a Wridgways Shareholder who is an individual whose tax offsets (for all franked distributions received in the income year) do not exceed \$5,000 for the income year in which the franked dividend was received.

If Australian resident individuals or complying superannuation funds have an excess of franking credits in comparison to the tax they are required to pay, those shareholders may be entitled to a refund from the ATO equal to that excess.

Non-resident shareholders should receive the full amount of the Announced Dividend and Discretionary Special Dividend free of any Australian dividend withholding tax, as they are anticipated to be fully franked.

The ATO has confirmed this understanding in the Draft Class Ruling. The Draft Class Ruling may not be relied upon by Wridgways Shareholders until such time as it is issued in final form by the ATO.

(c) **Imputation integrity measures**

The availability of the franking credits attaching to the Announced Dividend and Discretionary Special Dividend is subject to the application of certain integrity measures. It is considered that the integrity measures should not apply to deny or limit the availability of those credits to Wridgways Shareholders who received the Announced Dividend and are entitled to receive the Discretionary Special Dividend. As outlined above, this matter is part of the Draft Class Ruling that has been received from the ATO. The comments in this Section are based on the assumption that a favourable final Class Ruling will be obtained.

8.4 Disposal of Wridgways Shares

(a) **Australian Capital Gains Tax**

If the Scheme is approved, you will dispose of your Wridgways Shares for tax purposes as a result of the implementation of the Scheme. The disposal will be a CGT event (CGT Event A1). The CGT event is likely to happen on the Implementation Date (confirmation of this timing is part of the Draft Class Ruling). The ATO has confirmed this understanding in the Draft Class Ruling. The Draft Class Ruling may not be relied upon by Wridgways Shareholders until such time as it is issued in final form by the ATO.

The tax implications for you from the disposal of your Wridgways Shares will depend upon your taxpayer status (i.e. whether you are an individual, a company or the trustee of a trust etc).

You will make a capital gain on the disposal of your Wridgways Shares if the capital proceeds you receive exceed the cost base of your Wridgways Shares. You will make a capital loss if the capital proceeds are less than the reduced cost base of your Wridgways Shares.

As discussed below, you will be required to disregard the capital gain or capital loss you make on the disposal of your Wridgways Shares if you are not a resident of Australia for income tax purposes at the time of the disposal and if you (together with your associates) hold less than a 10% interest in Wridgways.

Capital gains and capital losses of a taxpayer in a year of income from all sources are aggregated, together with any unapplied net capital loss from prior years, to determine if the taxpayer made a net capital gain. Any net capital gain for the year is included in the taxpayer's assessable income and is subject to income tax at the taxpayer's marginal tax rate. Net capital losses may not be deducted against other income for income tax purposes, but may be carried forward to offset against capital gains derived in future income years. Specific loss rules apply to Wridgways Shareholders who are companies and trusts. These rules may limit the ability to offset capital losses in a current or later income year.

Set out below is a guide to calculating the capital gain or capital loss on the disposal of your Wridgways Shares.

Disposal of Wridgways Shares	
Capital Proceeds	Subject to confirmation from the ATO that the Discretionary Special Dividend does not form part of the capital proceeds on disposal of the Wridgways Shares (see below), your capital proceeds will be equal to the Scheme Consideration that you receive from Santa Fe Australia.
Cost Base	The cost base of your Wridgways Shares is equal to the cost of acquisition plus any incidental costs of acquisition and disposal (such as brokerage and stamp duty).
Capital Gain	If the capital proceeds received by you from the disposal of your Wridgways Shares exceed the cost base, a capital gain will arise.
Capital Loss	<p>If the capital proceeds received by you from the disposal of your Wridgways Shares are less than the reduced cost base, a capital loss will arise (the reduced cost base of shares is usually the same as the cost base described above).</p> <p>As set out above, net capital losses cannot be used to reduce the other assessable income of a Wridgways Shareholder in the year the loss is realised, but may be carried forward to offset future capital gains.</p>
CGT Discount	<p>You will be entitled to benefit from the CGT discount if:</p> <ul style="list-style-type: none"> • you have beneficially owned your Wridgways Shares for at least 12 months at the Implementation Date; and • you are an individual, the trustee of a trust, or a complying superannuation entity. <p>Where the CGT discount applies, you will be entitled to reduce your taxable capital gain realised on disposal of your Wridgways Shares by 50% (for individuals and trustees holding Wridgways Shares) or 33.33% (for complying superannuation entities).</p> <p>The CGT discount is applied only after available capital losses have been applied to reduce the capital gain. The CGT discount does not apply to capital losses.</p> <p>The CGT discount will not be available to you if you are a company.</p>

The ATO has confirmed this understanding in the Draft Class Ruling. The Draft Class Ruling may not be relied upon by Wridgways Shareholders until such time as it is issued in final form by the ATO.

The rules described above relating to discount capital gains and trusts are complex. Trustees should seek their own advice as to how the discount capital gains provisions apply to them and their beneficiaries, having regard to their own particular circumstances.

(b) Non-Resident Shareholders

A non-resident Wridgways Shareholder will not be subject to Australian CGT on any capital gain in respect of their Wridgways Shares if:

- you are not a resident of Australia for the purposes of the Tax Law and have not used the Wridgways Shares in carrying on business through an Australian permanent establishment; and
- you (and your associates) do not hold 10% or more of Wridgways Shares on the Implementation Date and have not held 10% or more of Wridgways Shares throughout a 12 month period during the two years preceding the sale of your Wridgways Shares.

Foreign Wridgways Shareholders that have held 10% or more of Wridgways Shares, either alone or together with their associates, should obtain specific advice on the application of the Australian CGT rules to any gain or loss realised on sale.

If you are a foreign Wridgways Shareholder, you should also obtain specific advice on the application of the laws of your country of residence and any Double Tax Treaty between your country of residence and Australia in determining the tax consequences of the disposal of your Wridgways Shares.

8.5 Stamp duty

No stamp duty should become payable by any Wridgways Shareholder on the disposal of the Wridgways Shares to Santa Fe Australia. Santa Fe Australia, as the transferee/acquirer of those Wridgways Shares, will be the party who will be liable for any stamp duty that is payable in respect of the Scheme.

8.6 Goods and services tax (GST)

You will not be liable to pay GST on the Scheme Consideration you receive for your Wridgways Shares.

9. Glossary

In this document:

\$ or **AUD** means Australian dollars.

Adviser means, in relation to an entity, a person who in the ordinary course of its business provides services as a financier, financial adviser, corporate adviser, legal adviser, or technical or other expert adviser or consultant and who has been engaged in that capacity in connection with the Transaction by the entity.

AGM Proxy Form means the proxy form for the Annual General Meeting accompanying this document.

Announced Dividend means the dividend of \$0.11 per Wridgways Share declared by Wridgways in respect of the financial year ended 30 June 2010 and paid on 6 October 2010 to Wridgways Shareholders of record on 29 September 2010.

Annual General Meeting means the annual general meeting of Wridgways Shareholders to consider the items of business as set out in the Notice of Annual General Meeting, including any adjournment of that meeting.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or, as the context requires, the financial market known as the Australian Securities Exchange operated by it.

ASX Listing Rules means the listing rules of the ASX from time to time as modified by any express written waiver or exemption given by the ASX.

ATO means the Australian Taxation Office.

Board means the board of directors of Wridgways.

Break Fee means \$750,000 (plus GST if applicable).

Business Day means a business day as defined in the ASX Listing Rules.

CGT means capital gains tax.

CHESS means the Clearing House Electronic Sub register System for the electronic transfer of Wridgways Shares and other financial products operated by ASX Settlement Pty Limited (ACN 008 504 532).

Class Ruling means the public ruling that has been sought by Wridgways from the Commissioner, that provides legally binding advice in response to the request from Wridgways seeking advice about the application of the issues referred to in Section 8.2 to Wridgways Shareholders, in relation to the Scheme.

Commissioner means the Commissioner of Taxation.

Competing Proposal has the meaning given in the Implementation Agreement.

Corporations Act means the Corporations Act 2001 (Cth).

Court means the Federal Court of Australia.

Deed Poll means the deed poll dated 19 October 2010 executed by Santa Fe and Santa Fe Australia in favour of Scheme Shareholders in the form set out in Annexure C.

Directors means the directors of Wridgways whose names are set out in Section 4.2 of this document.

Discretionary Special Dividend mean a proposed fully franked dividend of no more than \$0.45 per Wridgways Share, payable subject to the approval of the Scheme by the Scheme Shareholders, that may be declared by the Board in its absolute discretion, by no later than the last date permitted by the Listing Rules to enable payment on the Discretionary Special Dividend Payment Date.

Discretionary Special Dividend Record Date means 7.00pm on the date which is 4 Business Days after the Effective Date, which is expected to be 9 December 2010.

Discretionary Special Dividend Payment Date means the date which is 7 Business Days after the Effective Date, which is expected to be 14 December 2010.

Double Tax Treaty means the agreement between Australia and New Zealand for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income.

Draft Class Ruling means a draft version of the Class Ruling.

Effective means the coming into effect under section 411(10) of the Corporations Act of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme.

Effective Date means the date on which the Scheme becomes Effective, which is expected to be 3 December 2010.

Exclusivity Period has the meaning given in the Implementation Agreement.

Financial Assistance Resolution means the resolution in respect of financial assistance as set out in the notice of Annual General Meeting.

FY10 means the financial year ended 30 June 2010.

FY11 means the financial year ending 30 June 2011.

Gazette means the Commonwealth Government Notices Gazette, as published by the Attorney-General's Department from time to time.

GST means goods and services tax applicable in Australia.

Implementation Date means the day which is 1 Business Day after the Scheme Record Date which is expected to be 16 December 2010, or such other date agreed to in writing between Santa Fe and Wridgways.

Implementation Agreement means the scheme implementation agreement entered into between Wridgways and Santa Fe on 20 September 2010.

Independent Expert means BDO Securities (NSW-VIC) Pty Limited (ACN 065 203 492).

Independent Expert's Report means the report of the Independent Expert, as set out in Annexure A.

Meetings means the Scheme Meeting and the Annual General Meeting.

Preliminary Final Report means the Preliminary Financial Report produced by Wridgways for the financial year ended 30 June 2010, as provided to the ASX on 19 August 2010, under Listing Rule 4.3A.

Proposal means the proposed acquisition of all issued Wridgways Shares by Santa Fe Australia under the Scheme.

Register means the share register of Wridgways kept pursuant to the Corporations Act.

Related Entity of a corporation means:

- (a) a related body corporate of that corporation within the meaning of section 50 of the Corporations Act; and
- (b) a trustee of any unit trust in relation to which that corporation, or a corporation referred to in paragraph (a), directly or indirectly:
 - (i) controls the right to appoint the trustee;
 - (ii) is in a position to control the casting of, more than one half of the maximum number of votes that might be cast at a meeting of holders of units in the trust; or
 - (iii) holds or is in a position to control the disposal of more than one half of the issued units of the trust.

Relevant Interest has the meaning given in sections 608 and 609 of the Corporations Act.

Representatives means, in relation to an entity:

- (a) a related body corporate of the entity;
- (b) an officer of the entity or any of the entity's related body corporate; or
- (c) an Adviser to the entity or any of the entity's related body corporate.

Reverse Break Fee means \$750,000 (plus GST if applicable).

Santa Fe means Santa Fe Holdings Ltd., a company incorporated in Hong Kong (with company number 177421).

Santa Fe Australia means Santa Fe Moving & Relocation Services Australia Pty. Ltd. (ACN 146 268 831), an indirect wholly-owned subsidiary of Santa Fe.

Santa Fe Group means Santa Fe and each of its Related Entities. A reference to a member of the Santa Fe Group is a reference to Santa Fe or any such Related Entity.

Santa Fe Indemnified Parties means the members of the Santa Fe Group and their respective officers, employees and Advisers.

Santa Fe Information means the information contained in Section 5.

Scheme means the scheme of arrangement under Part 5.1 of the Corporations Act between Wridgways and the Scheme Shareholders in the form of Annexure D (or such other form as may be agreed between Wridgways, Santa Fe and Santa Fe Australia).

Scheme Consideration means \$2.80 cash for each Scheme Share less the cash amount of any Discretionary Special Dividend paid or to be paid.

Scheme Meeting means the meeting of Wridgways Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act, including any adjournment of that meeting.

Scheme Proxy Form means the proxy form for the Scheme Meeting accompanying this document.

Scheme Record Date means 7.00pm on the 8 Business Day after the Effective Date, which is expected to be 15 December 2010, or such other date agreed to in writing between Santa Fe and Wridgways.

Scheme Share means each Wridgways Share held by a Scheme Shareholder.

Scheme Shareholder means a Wridgways Shareholder at the Scheme Record Date.

Second Court Date means the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application is heard.

Second Court Hearing means the hearing of the application made to the Court for an order pursuant to section 411(4)(b) of the Corporations Act approving the Scheme.

Superior Proposal has the meaning given in the Implementation Agreement.

Tax Law means the Income Tax Assessment Act 1936 (Cth) and the Income Tax Assessment Act 1997 (Cth).

Transaction means the acquisition of Wridgways by Santa Fe Australia through implementation of the Scheme in accordance with the terms of the Implementation Agreement.

Wridgways or **Company** means Wridgways Australia Limited (ACN 079 887 728).

Wridgways Group means Wridgways and each of its Related Entities. A reference to a member of the Wridgways Group is a reference to Wridgways or any such Related Entity.

Wridgways Indemnified Parties means the members of the Wridgways Group and their respective officers, employees and Advisers.

Wridgways Information means all information contained in this document other than the Santa Fe Information and the Independent Expert's Report.

Wridgways Share means a fully paid ordinary share in the capital of Wridgways.

Wridgways Share Registry means Computershare Investor Services Pty Limited (ACN 078 279 277) or any replacement provider of share registry services to Wridgways.

Wridgways Shareholder means each person who is registered as the holder of Wridgways Shares from time to time.

Wridgways Website means the website displayed at: www.wridgways.com.au

Annexure A – Independent Expert’s Report



INDEPENDENT EXPERT'S REPORT
Wridgways Australia Limited

18 October 2010

18 October 2010

The Directors
Wridgways Australia Limited
24-40 Nina Link,
DANDENONG SOUTH VIC 3175

Dear Sirs

Independent Expert's Report - Wridgways Australia Limited

INTRODUCTION

BDO Securities (NSW-VIC) Pty Limited ("BDO") has been engaged by the Directors of Wridgways Australia Limited ("Wridgways" or "the Company") to prepare an Independent Expert's Report ("the Report") to express an opinion as to whether or not the acquisition of Wridgways shares ("Shares") by Santa Fe Moving & Relocation Services Australia Pty. Ltd. ("Santa Fe") under the proposed Scheme of Arrangement ("the Scheme") is fair and reasonable and in the best interests of Wridgways shareholders ("Shareholders").

Our Report is to be included in the Scheme Booklet for Wridgways to be sent to all Shareholders to assist them in deciding whether to vote in favour of the Scheme.

The valuation analysis in our Report was undertaken at 16 September 2010. Our valuation of Wridgways shares includes the cash value of the fully franked dividend of \$0.11 per Share that was paid to Shareholders on 6 October 2010. As a result of the Shares going ex-dividend on 23 September 2010, there should be a corresponding reduction in the value of Wridgways shares at that date of approximately \$0.11 per Share, being the amount of the fully franked final dividend. We note that the actual reduction in the Share price after going ex-dividend was \$0.12 per Share.

SUMMARY AND OPINION

We have considered the terms of the Scheme as outlined in the body of this Report and have concluded that the Scheme is fair and reasonable and in the best interests of Shareholders.

A summary of our analysis in forming the above opinion is provided below.

Fairness

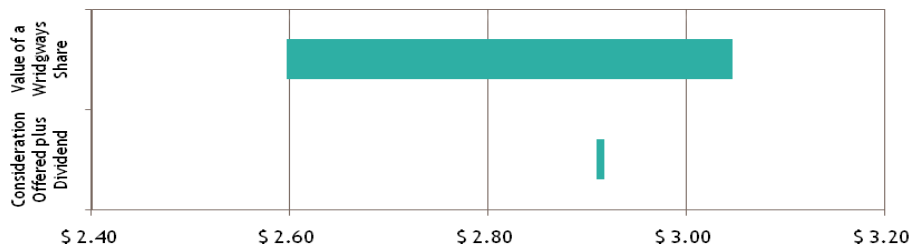
In accordance with our basis of evaluation (set out in Section 2.2) we have assessed whether or not the Scheme is fair to Shareholders with reference to the value of Wridgways Shares (inclusive of a premium for control), and the value of the consideration offered by Santa Fe under the Scheme (\$2.80 per Share) plus the cash value of the fully franked dividend of \$0.11 per Share paid to Shareholders on 6 October 2010. The results of our analysis are summarised below.

Figure i: Comparison of Value of a Wridgways Share to Scheme Consideration plus Final Dividend

	Section	Value	
		Low	High
Value of a Wridgways Share	5	\$2.60	\$3.11
Value of Consideration Offered by Santa Fe plus final dividend	1	\$2.91	\$2.91

Source: BDO

Figure ii: Comparison of Value of a Wridgways Share to Scheme Consideration plus Final Dividend



Source: BDO

As demonstrated in Figures i and ii, the value of consideration offered by Santa Fe, plus the final dividend, is within the assessed value range of Wridgways Shares. Based on this, the Scheme is considered fair to Shareholders.

Reasonableness

We have considered the analysis in Section 7 of this Report, in terms of both the advantages and disadvantages of accepting the Scheme and the position of Shareholders if the Scheme does not proceed.

The respective advantages and disadvantages of accepting the Scheme are considered below.

Figure iii: Advantages and Disadvantages of approving the Scheme

Section	Advantages	Section	Disadvantages
7.1	Opportunity to Exit Wridgways Shares	7.2	Inability to Benefit from Potential Upside in Wridgways
7.1	Alternative Takeover Offers for Wridgways Unlikely	7.2	Forgo Stable Dividend Stream
7.1	Potential Tax Benefits of Scheme	7.2	Potential Tax Implications of selling Wridgways Shares

Source: BDO

In our opinion, the position of Shareholders if the Scheme proceeds is more advantageous than the position if the Scheme does not proceed. Accordingly, we believe that the Scheme is reasonable for Shareholders.

Conclusion

Having considered the analysis summarised above and set out in detail in the body of this Report, we believe that the Scheme is fair and reasonable and in the best interests of Shareholders.

Yours faithfully
BDO SECURITIES (NSW-VIC) PTY LIMITED

Sebastian Stevens
 Director

David McCourt
 Director

Independent Expert's Report

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Independent Expert's Report

Glossary

<i>AFSL</i>	Australian Financial Services Licence
<i>ASIC</i>	Australian Securities and Investments Commission
<i>ASX</i>	Australian Securities Exchange
<i>BDO</i>	BDO Securities (NSW-VIC) Pty Ltd
<i>BDO Australia</i>	BDO Australia Limited
<i>CAGR</i>	Compound annual growth rate
<i>CAPEX</i>	Capital expenditure
<i>DCF</i>	Discounted cash flows
<i>Directors</i>	The Directors of Wridgways
<i>EBIT</i>	Earnings before interest and tax
<i>EBITDA</i>	Earnings before interest, tax, depreciation and amortisation
<i>Ex Dividend Date</i>	23 September 2010, being the date at which the buyer of a Share is no longer entitled to receive the fully franked final dividend
<i>FYxx</i>	Financial year ended 30 June 20xx
<i>Management</i>	Management of Wridgways
<i>MRRT</i>	Mineral Resources Rent Tax
<i>NPAT</i>	Net profit after tax
<i>NPV</i>	Net present value
<i>NTA</i>	Net tangible assets
<i>Report</i>	This Independent Expert's Report prepared by BDO
<i>RG</i>	ASIC Regulatory Guideline
<i>Santa Fe</i>	Santa Fe Moving & Relocation Services Australia Pty. Ltd.
<i>Scheme</i>	Scheme of arrangement under Part 5.1 of the Corporations Act between Wridgways and the Shareholders
<i>Scheme Booklet</i>	Booklet to be sent to Shareholders setting out terms of the Scheme
<i>Scheme Meeting</i>	Meeting of the Shareholders ordered by the Court to be convened under Section 411(1) of the Corporations Act
<i>Share</i>	Fully paid ordinary share in Wridgways
<i>Shareholders</i>	Shareholders in Wridgways
<i>The Act</i>	The Corporations Act 2001
<i>VWAP</i>	Volume weighted average price
<i>Wridgways (or the Company)</i>	Wridgways Australia Limited

1 Outline of the Scheme

1.1 The Scheme

On 20 September 2010 Wridgways announced to the ASX that it had entered into a Scheme Implementation Agreement with Santa Fe for Santa Fe to acquire all of the issued Shares in Wridgways.

Under the Scheme, Wridgways shareholders will receive, for each Share held by them, \$2.80 (less the cash amount of any Discretionary Special Dividend paid by Wridgways prior to the acquisition, as discussed below).

In addition, at the date of the announcement of the Scheme, Wridgways shareholders were entitled to receive the full benefit of the fully franked final dividend of \$0.11 per Share that was paid on 6 October 2010. The combination of the Scheme consideration of \$2.80 per Share and the fully franked final dividend of \$0.11 per Share provides Wridgways shareholders with a total cash value of \$2.91 per Share.

Accordingly, in our Report, we have analysed the Scheme based on Shareholders receiving total cash consideration of \$2.91 per Share, given at the date of the announcement of the Scheme Wridgways shareholders were entitled to receive the fully franked final dividend. As a result of the Shares going ex-dividend on 23 September 2010, there should be a corresponding reduction in the value of Wridgways shares at that date of approximately \$0.11 per Share, being the amount of the fully franked final dividend. We note that the actual reduction in the Share price after going ex-dividend was \$0.12 per Share.

The Board of Wridgways is considering the payment of a fully franked dividend in the range of \$0.40 to \$0.42 per Wridgways Share (the Discretionary Special Dividend) if the Scheme is approved by both Wridgways shareholders and the Court. While the Discretionary Special Dividend does not form part of the Scheme, if the Discretionary Special Dividend is declared and paid, then Santa Fe is entitled to reduce the consideration paid to each Wridgways shareholder under the Scheme by the amount of the Discretionary Special Dividend paid on each Wridgways Share.

Further details of the Scheme are set out in Section 2 of the Scheme Booklet.

1.2 Background to Santa Fe

Santa Fe is a relocation services company, operating primarily in the Asian region. Santa Fe provides a comprehensive range of relocation related services to individual and corporate clients, including:

- immigration / visa services;
- home / school search services;
- language / cultural training services;
- tenancy management;
- financial management; and
- moving services.

Santa Fe currently operates offices in 14 countries and 41 cities and territories across Asia and the Middle East.

As announced to the ASX on 20 September 2010, Wridgways believes that Santa Fe's market leading position in Asia combined with Wridgways' strong market position in Australia will provide a strong platform to service the growing need for moving and relocation services in the Asia Pacific region. In addition, Wridgways believes that it can benefit from Santa Fe's experience in international relocation services, its business and information technology systems and expertise and economies of scale.

1.3 Conditions Precedent to Scheme

The implementation of the Scheme is subject to a number of conditions, including:

- ASIC and ASX to issue or provide the consents or approvals which Wridgways and Santa Fe agree are necessary to implement the Transaction;
- no material adverse change or prescribed event occurring in relation to Wridgways;
- Wridgways Shareholders to approve the Scheme at the Scheme Meeting; and
- the Court approves the Scheme.

These conditions are discussed in further detail in Section 6.12 of the Scheme Booklet.

2 Scope of Report

2.1 Report Requirements

The Scheme is to be implemented pursuant to Section 411 of the Corporations Act.

Section 411(3) of the Corporations Act requires that an explanatory statement issued in relation to a proposed scheme of arrangement under Section 411 of the Corporations Act include any information considered material to the making of a decision by a member as to whether to accept or reject the relevant proposal.

The Directors of the Company have engaged BDO to prepare this Report to satisfy their obligations under the Corporations Act as set out above.

2.2 Basis of Evaluation

2.2.1 Regulatory Guidelines

In determining whether the Scheme is in the best interests of members, we have had regard to the views expressed by the ASIC in their RG 111.

RG 111 “Content of expert reports”, issued by the ASIC indicates that in the circumstances where a scheme of arrangement is used to achieve a change of control, then it expects a person preparing an independent expert report to perform substantially the same form of analysis as for a takeover bid made pursuant to Chapter 6 of the Act and provide an opinion as to whether the proposal is “fair and reasonable”.

RG 111 outlines the following definitions of “fair” and “reasonable”:

- An offer is “fair” if the value of the offer price or consideration is equal to or greater than the value of the shares that are the subject of the offer (this comparison is required to be undertaken assuming 100 percent ownership of the target and irrespective of whether the consideration is scrip or cash).
- An offer is “reasonable” if it is fair. An offer may also be reasonable if, despite not being fair, the expert believes that there are sufficient reasons for shareholders to accept the offer in the absence of any higher bid before the close of the offer.

RG 111 indicates that an independent expert would be able to conclude that the scheme of arrangement was in the best interests of the shareholders if they consider a proposal “fair and reasonable”.

If an expert were to conclude that the proposal was “not fair but reasonable”, RG 111 indicates that it is open to the expert to conclude that the scheme is “in the best interests of the members”.

2.2.2 Adopted Basis of Evaluation

In considering whether the Scheme is in the best interests of Shareholders, we have considered the fairness and reasonableness of the Scheme having regard to the assessed value of each Share, as well as the advantages and disadvantages for Shareholders as a result of the Scheme.

Specifically, we have completed our assessment in two parts:

- A comparison between the Scheme Consideration for each Share and the value of each Share (fairness); and
- An investigation into other significant factors to which Shareholders might give consideration, prior to approving the Scheme, after reference to the value derived above (reasonableness).
- Such consideration includes a comparison of the likely advantages and disadvantages for Shareholders if the Scheme is accepted with the advantages and disadvantages to those Shareholders if it is not.

We have assessed that in all cases the advantages and disadvantages of rejecting the Scheme are the inverse of accepting the Scheme. Thus, for simplicity and ease of evaluation, we have set out the significant factors in Section 7 only in the context of accepting the Scheme.

The Scheme could be considered in the best interests of Shareholders if there are valid reasons to approve the Scheme, notwithstanding that it may not be regarded as “fair” to Shareholders.

3 Profile of Wridgways

3.1 History and Overview

Wridgways was founded in 1892. The Company was acquired by Ansett Transport in 1975 and then by TNT Australia in 1994, before a management buyout was undertaken in 1997. Wridgways subsequently listed on the ASX in 1999.

Wridgways specialises in local and interstate furniture removals, international, commercial and corporate relocations. The Company operates a national network of 30 offices from 27 locations, with 55,000 square metres of warehousing space and 272 vehicles. Including subcontractors, Wridgways employs 620 staff. Wridgways’ office locations are set out on the map below.

Figure 3.1: Wridgways’ Office Locations



Source: Management

Wridgways conducts its operations through five business segments, set out below:

- Wridgways Removalists - Interstate, local and country removals, office relocations and storage.
- Wridgways Worldwide Movers - Worldwide sea and air import and export services.
- Wridgways Project Management - Hotel, resort and apartment fit out logistics.
- Wridgways Move Solutions - Home search, visa, migration, travel and accommodation services.
- Move Dynamics - Relocation management and removals brokerage services.

An overview of Wridgways' operating structure is provided at *Appendix E*.

3.2 Market and Competition

The Australian relocations market is divided into three areas; domestic, import and export services. Domestic relocation is highly price competitive and serviced by high-end, mid-tier and local operators, while import and export activity is predominantly competed for by the larger operators. Market competition is largely based around price and reputation.

The high-end of the relocations market is dominated by five operators, Allied Pickfords, Grace Removals, Kent Transport, Crown Relocations and Wridgways. All maintain a similar service offering to Wridgways and have the capacity and capability to compete for large domestic, import and export contracts. Each of these firms competes for business from a small number of high value, high volume clients such as large accounting firms and government entities. A global brand and network is particularly attractive to large multi-national corporate accounts. Unlike Allied Pickfords and Crown Relocations, Wridgways is not part of an owned international network that is able to internally refer international assignments across its global offices.

We note that while the focus of the high-end operators is on corporate, government and large private clients, all of the high-end operators continue to service every level of the relocations market.

As advised to the ASX by Wridgways, in recent years there has been significant industry wide discounting which has impacted industry margins. This has arisen as a result of competitive pressures that have caused the market to focus aggressively on pricing to maintain revenue levels. Management also advise that there is an industry trend by large global customers towards a 'move management' operating model, where relocations are managed by multinational 'move managers' which outsource individual moves to providers such as Wridgways on a contract basis. This practice further reduces the margins available to relocation companies relative to self managed moves.

Historically, growth in relocation activity in Australia has moved in line with general Australian economic trends. We note that future relocation activity in Australia is set to benefit from increased investment in the mining industry and the associated skills shortage driving relocation requirements. The June 2010 quarter Australian Bureau of Statistics capital expenditure survey shows miners expect to invest \$54.8 billion in Australia in FY11, up 48% on the corresponding survey in June 2009. Offsetting this investment growth to some extent however, is the increasingly popular practice of utilising fly-in, fly-out workers on mine sites which reduces the demand for family relocations to mining towns.

3.3 Capital Structure

As at 11 August 2010, Wridgways had 32 million Shares on issue. Wridgways currently has no options on issue.

Wridgways' top 10 Shareholders as at 11 August 2010 are shown below.

Figure 3.3: Wridgways' Shareholders

Holder	Amount held	% Held
DF & J Stickland ¹	3,090,000	9.66%
BC & CA Clarke Investments Pty Ltd ¹	1,210,626	3.78%
DP Sutton ¹	950,000	2.97%
SJ & HN Crowle Pty Ltd ¹	895,859	2.80%
Questor Financial Services Ltd	769,672	2.41%
Wilmar Enterprises Pty Ltd	750,000	2.34%
Starbrite Consultants Pty Ltd	500,000	1.56%
WC Anderson	250,000	0.78%
NM Shugg	225,000	0.70%
AW Whatmore ²	215,000	0.67%
Total Top 10 shareholders	8,856,157	27.68%
Total Shares	32,000,000	

Source: Full year Statutory Accounts for FY10

Note:

1. Current Director / Senior Management
2. Former Chairman

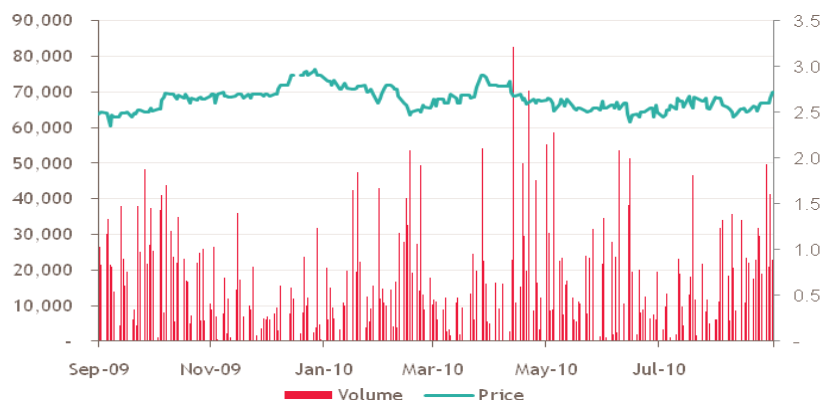
3.4 ASX Performance of Wridgways

Wridgways listed on the ASX in 1999. Figure 3.4 below shows Wridgways' closing daily Share price and volume traded per day over the 12 month period ending 16 September 2010 - being the last day of trade in Wridgways Shares prior to the announcement of the Scheme.

In relation to Figure 3.4 we make the following comments:

- Wridgways Shares have traded in a fairly consistent range over the last year, between a low of \$2.35 and a high of \$2.97; and
- Volume has been less consistent, with daily trading ranging from zero (18 non-traded days) to approximately 83,000. The average daily volume over the past year was 16,389 Shares.

Figure 3.4: ASX Trading of Shares



Source: Bloomberg

3.5 Historical Financial Information

3.5.1 Historical Balance Sheets of Wridgways

Wridgways has historically maintained a strong balance sheet, with no gearing and significant cash reserves. Whilst Wridgways had no debt at 30 June 2010, it did maintain unused finance facilities of \$6 million with Westpac. As at 20 September 2010 this facility remained in place.

The historical balance sheets of Wridgways are set out in Figure 3.5.1.

Figure 3.5.1: Wridgways Historical Balance Sheets

(\$'000)	Note	30 June 2008	30 June 2009	30 June 2010
ASSETS				
CURRENT ASSETS				
Cash		8,846	9,382	8,135
Trade and other receivables	1	10,374	8,575	9,214
Inventories		334	419	495
Other assets	2	989	1,368	1,586
Total current assets		20,544	19,744	19,430
NON-CURRENT ASSETS				
Property, plant & equipment	3	6,391	7,371	7,305
Deferred tax asset		1,122	1,092	966
Goodwill	4	1,529	1,529	1,529
Brand name	4	8,000	8,000	8,000
Other intangible assets		500	1,058	1,478
Total non-current assets		17,543	19,050	19,279
Total assets		38,087	38,794	38,710
CURRENT LIABILITIES				
Trade and other payables		17,068	16,880	16,180
Current tax liability		1,235	555	345
Provisions		3,692	3,633	3,728
Other	5	-	40	40
Total current liabilities		21,995	21,108	20,293
NON-CURRENT LIABILITIES				
Provisions		140	184	202
Other	5	-	325	285
Total non-current liabilities		140	509	487
Total liabilities		22,135	21,617	20,780
NET ASSETS		15,952	17,178	17,930

Source: Audited Statutory Accounts for FY08, FY09 and FY10

Notes:

- At 30 June 2010 there were \$4.3m receivables past due, with \$840k past 90 days.
- Other current assets relate to prepayments.
- Property, plant and equipment is predominantly made up of the Wridgways transport fleet (net book value of \$5.7m as at 30 June 2010).
- Goodwill and the Wridgways brand name were recognised upon Wridgways listing on the ASX and are tested annually for impairment.
- Other liabilities relates to a lease incentive.

3.5.2 Historical Income Statements of Wridgways

Wridgways' profit and margins have been declining over the last three financial years. Wridgways' performance, in particular domestic relocations, has been heavily impacted by industry wide competitor discounting. Competitive pressures have caused the market to focus aggressively on pricing to maintain revenue levels.

In addition, as discussed in Section 3.2, the trend towards companies engaging 'move managers' to project manage moves and outsource individual moves to providers such as Wridgways on a contract basis has further impacted margins.

Wridgways have successfully contained overhead costs in recent years with administration expenses falling in each of the last three financial years.

Wridgways' historical income statements and profit margins are set out in Figure 3.5.2.

Figure 3.5.2: Wridgways Historical Income Statements

(\$'000)	Note	FY08	FY09	FY10
Revenue		118,756	124,268	116,300
Other income	1	-	26	18
Freight and direct expenses		(78,423)	(84,160)	(77,580)
Occupancy expenses		(5,353)	(5,818)	(6,179)
Administration expenses		(24,911)	(24,824)	(23,770)
Profit before tax		10,069	9,492	8,788
Income tax expense		(3,039)	(2,826)	(2,596)
Profit after tax		7,030	6,666	6,192
NPAT Margin		5.92%	5.36%	5.32%

Source: Audited Statutory Accounts for FY08, FY09 and FY10

Notes:

- 1 Other income relates to gains on the disposal of property, plant and equipment in FY09 and FY10, and the receipt of an insurance claim in FY10.

4 Valuation Approach for Wridgways

4.1 Valuation Methodology

Details of common valuation methodologies for businesses and assets are included at **Appendix C**. In addition, Paragraph 53 of RG111 sets out the valuation methodologies that ASIC consider an expert should use in valuations for expert reports.

Having considered Paragraph 53 of RG111, our view of the most appropriate valuation methodologies to apply to Wridgways are summarised in the figure below.

Figure 4.1: Summary of Possible Wridgways Valuation Methodologies

Methodology	Adopted	Explanation
DCF	×	<ul style="list-style-type: none"> Management has prepared forecast financial results for Wridgways for the financial year ending 30 June 2011, however no detailed forecasts after FY11 are available. Given the lack of long term forecasts for Wridgways (5 years or more), we are therefore unable to prepare a DCF valuation using forecasts.
FME	✓	<ul style="list-style-type: none"> Wridgways has audited accounts to 30 June 2010, and as discussed above, Management has also prepared a forecast to 30 June 2011. Wridgways is a mature business with a long and stable earnings history. We have reviewed the forecast results for 30 June 2011 to obtain sufficient comfort to enable us to use them as the basis of preparing an FME valuation.
NTA	×	<ul style="list-style-type: none"> Wridgways is a mature service orientated business. Value associated with the Wridgways brand and the earnings generating capacity of its assets is not fully reflected in an NTA valuation and accordingly this methodology is not considered to be appropriate to value Wridgways.
ASX Market Price	✓	<ul style="list-style-type: none"> Wridgways was listed in May 1999 so has sufficient market history for an ASX market price valuation. As discussed in Section 5.2, while there is not a very deep market in Wridgways Shares, there is sufficient liquidity to use this methodology.

For reasons outlined in Figure 4.1, it is our view that the most appropriate valuation methodologies to apply to Wridgways are the FME methodology, specifically a capitalisation of EBIT, and the ASX Market Price methodology.

4.2 Dividend Declared by Wridgways

Wridgways declared a fully franked final dividend of \$0.11 per Share in respect of FY10. The record date for this dividend was 29 September 2010 and it was paid on 6 October 2010.

As discussed in Section 1, the combination of the Scheme consideration of \$2.80 per Share and the fully franked final dividend of \$0.11 per Share provides Wridgways Shareholders, at the date of the announcement of the Scheme, with a total cash value of \$2.91 per Share.

We have analysed the Scheme based on total cash consideration of \$2.91 per Share. Accordingly, our valuation of Wridgways includes the benefit of the \$0.11 per Share dividend. Specifically, we note that:

- the FME valuation includes as surplus cash the value of the cash that has been set aside to pay the dividend; and
- The ASX Market Price valuation is based on the Wridgways Share price which includes the value of the dividend (i.e. Share price is assessed prior to Wridgways going ex-dividend).

As a result of the Shares going ex-dividend on 23 September 2010, there should be a corresponding reduction in the value of Wridgways shares at that date of approximately \$0.11 per Share, being the amount of the fully franked final dividend. We note that the actual reduction in the Share price after going ex-dividend was \$0.12 per Share.

4.3 Premium for Control

Paragraph 10 of RG111 states that “an offer is ‘fair’ if the value of the offer price or consideration is equal to or greater than the value of the securities the subject of the offer. This comparison should be made assuming 100% ownership of the ‘target’ and irrespective of whether the consideration is scrip or cash”. Accordingly, we are required to consider the fairness of the Scheme assuming 100% ownership of Wridgways.

Investment fundamentals dictate that the value of 100% of a company is normally greater than the sum of values attributable to the individual shares of that company based on transactions in minority share holdings.

The difference between the value of 100% of a company and the total of the value of minority share holdings is referred to as a “premium for control” taking into account control and synergistic benefits for the acquirer. Control of a company by a shareholder gives that shareholder rights to which minority shareholders are not entitled, including control of the company’s policies and strategies, and use of cash flows of the company.

In assessing the control premium applicable to Wridgways Shares we have reviewed Australian public company acquisitions over the past three years. This review indicates an approximate premium range of 20% to 35% with a median premium for control of approximately 25%.

The level of premium for control paid in a takeover bid varies across industries and is dependent upon the specifics of the company being acquired. In relation to Wridgways, we note the following:

- Wridgways operates in a specialised sector. The market is competitive, and competitor discounting in recent years has resulted in Wridgways experiencing declining profits and margins. Unlike its key competitors, Wridgways is not part of an international network that refers international assignments to Wridgways which will potentially impact on Wridgways’ ongoing growth. These are factors to be considered in any potential takeover of Wridgways; and
- Having regard to the future strategic direction of Wridgways, Management have confirmed that they have had discussions with other potential national and international acquirers that they believe had the capacity and strategic rationale to either merge with, or takeover, Wridgways. Based on these discussions, Management are of the view that Santa Fe remains the only potential acquirer with the capacity and willingness to acquire Wridgways.

The comments above suggest that there is likely to be unwillingness for any potential acquirer to offer to acquire Wridgways at a price level that incorporates an above average premium for control.

Accordingly, we consider that a premium for control of 20% (which is at the low end of the observed premium range) is an appropriate premium to be applied to the ASX and FME minority interest values of Wridgways.

The full details of the valuation of Wridgways Shares (which include the premium for control) are included in Section 5.

5 Valuation of Wridgways

5.1 FME Valuation

An FME valuation involves estimating a sustainable level of earnings and capitalising the earnings at an appropriate rate that reflects the specific risks, expectations, growth prospects and other specific factors applicable to the entity. The value derived is then adjusted for any cash or debt to arrive at an equity value for the entity.

5.1.1 Future Maintainable Earnings

EBIT was established as the most appropriate level of FME for Wridgways for the following reasons:

- The availability of forecasts for Wridgways at an EBIT level. As discussed in Section 4, Management has prepared forecast financial results for Wridgways for the year ending 30 June 2011. We have reviewed the forecast for the year ending 30 June 2011 (refer Figure 5.1.1), and have obtained sufficient comfort around the forecast to enable us to use the forecasts in our assessment of an FME for Wridgways;
- Analysis at the EBIT level enables greater comparability to comparable trading entities. Comparable companies in the transport and logistics sector are more capital intensive than Wridgways and their vehicles experience shorter useful lives as a result of spending greater time in transit. Therefore, they incur a higher depreciation charge which represents an operational cost of their business. As such, EBIT which is after depreciation charges is the appropriate earnings measure that accounts for this additional capital cost incurred by the comparable companies; and
- The comparable entities have different levels of debt and surplus cash to Wridgways. Therefore, analysis at the EBIT level (before interest) also removes distortions relating to the differences in capital structures that an earnings measure after interest (such as NPAT) does not account for.

We have analysed Management's forecasts for the year ending 30 June 2011 and reviewed their construction and key underlying assumptions. We note our review of these assumptions does not constitute an audit. Key assumptions adopted by Management, in preparing these forecasts, are outlined in the following figure.

Figure 5.1.1: Assumptions for FY11 Forecast Results

Item	Wridgways Assumption/Basis	BDO Comments
Increased Relocation Activity	As the Australian economy recovers, and in particular the mining sector, a skills shortage is expected to generate increased relocation activity domestically and inbound from overseas. Wridgways expects a significant upturn in business as major customers ramp up recruitment towards the end of 2010.	The imposition of the MRRT, or another form of a mining tax, could impact future mining investment into Australia and thus impact forecast relocation growth from the mining sector. However, assuming no change from the status quo, the key assumptions behind Wridgways' FY11 forecasts do not appear unreasonable.
Interstate and Intrastate Revenue	Forecast to increase 5% in FY11 due to increased mining activity and associated infrastructure and service industries activity. Significant improvement expected in Queensland market.	Assumption does not appear unreasonable.
Export Revenue	Forecast to grow by 6% in FY11 after maintaining fairly stable activity through the downturn. Regional centres continue to contribute solid export revenue and profits.	Assumption does not appear unreasonable.

Item	Wridgways Assumption/Basis	BDO Comments
Import Revenue	Forecast to increase 8% in FY11 driven by recovery in mining sector. Global partners and in particular booked inbound business from Australian based accounts expected to drive this growth.	Assumption does not appear unreasonable.
Direct Costs / Margins	<p>Insurance, packing and freight costs generally expected to increase. Wages to reflect increased trading, in addition to 3% increase in blue collar wages passed in April 2010.</p> <p>Motor vehicles and other costs expected to remain at similar levels to FY10, while increased property costs predominantly reflect Wridgways' Perth property rental being adjusted to market during FY10.</p> <p>Overall, margins expected to continue to reduce given the increasingly competitive nature of the industry.</p>	Assumption does not appear unreasonable. We note that Management's Accounts for FY11 confirm that margins in July and August 2010 are lower than FY10.
Indirect Costs	<p>Increased administration salaries reflect 3% wage increase passed in April 2010.</p> <p>Computer expenses budgeted to increase with the requirement to improve several core applications in FY11.</p> <p>Advertising, telephone, travel, accommodation and other costs all to remain at similar levels to FY10.</p>	Assumption does not appear unreasonable.

5.1.2 Adopted FME

In determining Wridgways' FME, we have considered the following:

- Historical EBIT for Wridgways for the 12 months to 30 June 2010 as per audited accounts, adjusted for foreign exchange losses and other income;
- Forecast EBIT for Wridgways for the 12 months to 30 June 2011 as per Management's forecasts; and
- Confirmed with Management that no further normalisations are required to be made to the above measures of earnings.

Figure 5.1.2 sets out Wridgways' audited EBIT for the 12 months to 30 June 2010 (FY10) and forecast EBIT for the 12 months to 30 June 2011 (FY11).

Figure 5.1.2: Adopted FME

\$'000	Note	FY10 Audited \$'000	FY11 Forecast \$'000
Revenue	1	116,111	122,768
Freight and Direct Expenses		(77,580)	(83,185)
Occupancy Expenses		(6,179)	(6,594)
Administration Expenses		(23,770)	(24,598)
Total Expenses		(107,529)	(114,377)
Wridgways EBIT		8,582	8,391
EBIT adopted as FME			8,500

Notes:

- 1 FY10 revenue excludes interest revenue, foreign exchange losses and other income.

Wridgways is a mature business that has been producing relatively consistent profits for many years. Based on FY10 and FY11 earnings, we have adopted EBIT of \$8.5m as Wridgways' FME.

5.1.3 Determination of EBIT Multiple

Enquiries were made of Management and general research conducted to determine companies with operations that could be considered comparable to those of Wridgways. In particular we searched for freight, transport and logistics companies in Australia for the following reasons:

- The performance of both Wridgways and freight, transport and logistics companies are closely related to Australian economic activity;
- Both Wridgways and the comparable companies rely on logistical management for comparative advantage; and
- The comparative companies are exposed to similar operational risks, in particular fuel prices and the use of subcontractors and agents.

EBIT multiples were then established for the chosen comparable entities with reference to the most recently published earnings levels and analysts forecast earnings for FY11, where available. The multiples of the chosen comparable companies are set out in *Appendix D*.

In our analysis we also considered using EBIT multiples relating to recent transactions involving freight, transport and logistics companies in Australia. We note that while certain transactions have been completed in the last 12 months, no publicly available data was available to construct multiples for such transactions.

In selecting our adopted multiple range for Wridgways, the factors that we have considered include:

- The EBIT multiples of comparable companies (on a minority interest basis). Based on FY10 earnings the average EBIT multiple of the comparable companies (excluding outliers) is 8.9. FY11 EBIT forecasts are available for only two comparable entities, K&S Corporation and Lindsay Australia. Based on these forecast FY11 earnings, the FY11 multiples for K&S Corporation and Lindsay Australia are 6.7 and 11.3 respectively with an average EBIT multiple of 9.0.
- The nature of competition in the market that Wridgways operates. In this regard we note that Wridgways is one of five key operators in its particular industry. As discussed in Section 3.2, the industry has been subject to significant industry wide competitor discounting as competitive pressures have caused the market to focus aggressively on pricing to maintain revenue levels. This industry competitiveness has resulted in Wridgways experiencing declining profit levels and margins over the last three years. In addition, Wridgways is not part of an owned international network which is likely to impact on its ability to capture growth from export and import markets.
- The lower future growth prospects of Wridgways compared relative to those of the comparable entities. In order to gauge the growth prospects of Wridgways, we have compared FY11 EBIT forecasts for comparable companies (where available) with Management forecasts. For the two comparable companies that forecasts are available, K&S Corporation and Lindsay Australia, growth between FY10 and FY11 is forecast to be 40% and 52% respectively. This compares to Management's forecast of a decline in Wridgways' EBIT for FY11.

Based on Wridgways' business maturity, the declining margins it has experienced over recent years from increased competitive pressures and concerns as to its long term growth, we have adopted a lower EBIT multiple than that of the FY10 multiples for the comparable companies. We note that this range remains higher than the forecast FY11 multiple for K&S Corporation. The adopted multiple range is set out in Figure 5.1.3 below.

Figure 5.1.3: Adopted Multiple Range

	Low	High
Comparable company FY10 EBIT multiple range	8.5	9.5
Selected Wridgways EBIT multiple range	7.5	8.0

Source: BDO Analysis

5.1.4 Determination of Wridgways' Value per Share

Our FME valuation of Wridgways is set out below. In valuing Wridgways, we have calculated an enterprise value of Wridgways, then applied a premium for control and adjusted the resulting value for the cash held by Wridgways to arrive at an equity value for Wridgways.

Figure 5.1.4: Value per Share

\$'000	Section/ (Note)	Low	High
FME		8,500	8,500
EBIT Multiple		7.5	8.0
Enterprise Value		63,750	68,000
Less: Debt		nil	nil
Equity Value prior to Premium for Control		63,750	68,000
Premium for Control	1	20%	20%
Equity Value including Premium for Control		76,500	81,600
Adjustments to Equity value, consisting of:			
Cash	2	6,619	6,619
Equity Value		83,119	88,219
Number of Wridgways Shares on Issue			
			32,000,000
Value per Share		2.60	2.76

Notes:

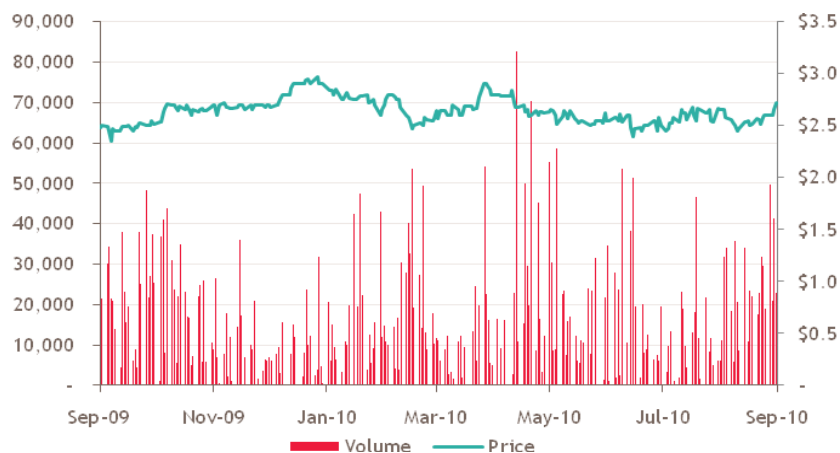
- 1 In accordance with RG 111, we are required to value Wridgways assuming 100% ownership of Wridgways (i.e. adopting a control premium). As the observed multiples of the comparable companies are on a minority interest basis, we have applied a control premium of 20% (refer Section 4.3).
- 2 Represents cash balance per Management Accounts as at 31 August 2010 of \$7.7 million, less approximately \$1,050k of Scheme transaction costs that will be payable by Wridgways irrespective of whether the Scheme is approved. We note that Wridgways has historically maintained large cash holdings. Wridgways also has historically generated positive operating and investing cash flows which are offset by dividend payments. We have adjusted for these cash balances in arriving at our equity value. As discussed in Section 4.2, as we are valuing Wridgways inclusive of its dividend, we have not adjusted the cash balance for the value of the cash dividend paid on 6 October 2010 (\$3.5 million).

5.2 ASX Valuation

5.2.1 ASX Trading

Figure 5.2.1a illustrates the daily trading prices and volumes in Wridgways Shares for the 12 months prior to 16 September 2010, the last day of trading prior to the announcement of the Scheme.

Figure 5.2.1a: Last 12 months trading activity of Wridgways Shares



Source: Bloomberg and BDO analysis of Share price data

The price of Wridgways Shares in the 12 months to 16 September 2010 has ranged from a high of \$2.97 on 12 January 2010 to a low of \$2.35 on 23 September 2009. We have considered intra-day trading prices and volumes in the course of this analysis.

The price of Wridgways Shares increased in the lead up to, and immediately following, the Annual General Meeting on 22 October 2009. The increase following the Annual General Meeting may be attributed to the positive outlook provided by Wridgways at the meeting.

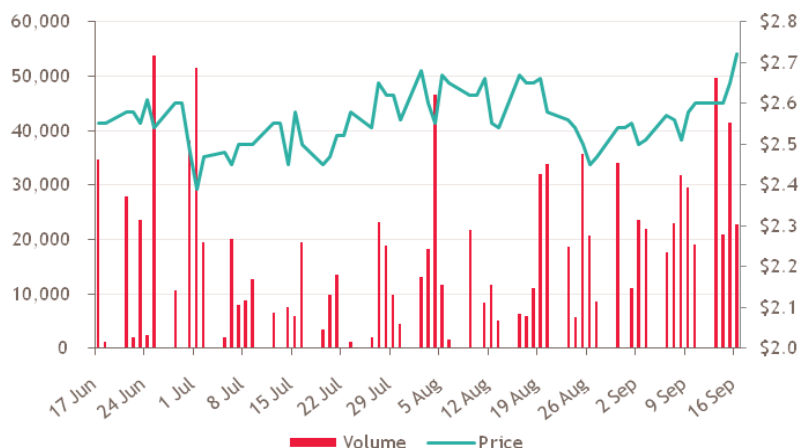
There was a significant decline in the price of Wridgways Shares in the period following the release of Half Year accounts on 18 February 2010. Despite the value of Shares initially increasing on the news the Company was maintaining its six cent interim dividend, the price subsequently declined by 10% in the twelve days trading following the announcement. While the wider market did briefly dip towards the end February, Wridgways' Share price fell more than the market.

The price of Wridgways Shares increased by 9% in the three days prior to 13 April 2010. This did not correspond with any price sensitive announcement released by the Company to the ASX.

Apart from the exceptions outlined above, movements in Wridgways' Share price have generally followed those of the wider market. We note that companies with small capitalisations often exhibit lower liquidity than companies of larger capitalisation and tend to be more sensitive to market sentiment. Accordingly, smaller capitalised stocks often tend to be more volatile than the broader market. This may explain movements in Wridgways' Share price that are not related to any price sensitive news released by Wridgways.

Figure 5.2.1b provides a more detailed analysis of the 90 days trading up to 16 September 2010.

Figure 5.2.1b: 90 day trading activity of Wridgways Shares up to 16 September 2010



Source: Bloomberg and BDO analysis of Share price data

In relation to Figure 5.2.1b we note the following:

- Wridgways Shares have traded in a fairly stable range between around \$2.50 and \$2.65 over the past 90 trading days, before rising to \$2.72 on 16 September 2010; and
- The only price sensitive news released to the ASX over this period was the FY10 full year accounts, which confirmed that the final dividend would be maintained at 11 cents, together with the Directors' statement in relation to the FY11 outlook which was released on 20 August 2010. In relation to the outlook for Wridgways, while no formal profit guidance for FY11 was provided, the ASX announcement stated that "the Directors continue to hold the view that market conditions will remain difficult through to at least the end of 2010 after which a slow but steady uplift in the economy has been forecast....the company is in an excellent position to take full advantage of the economic recovery". Since this announcement, the price of Wridgways Shares has generally trended upwards which suggests that the market has reacted positively to the final dividend being maintained, as well as the financial results and comments in relation to the FY11 outlook. In this regard, while Wridgways has historically not released formal earnings guidance to the ASX, we note that the most recent FY11 budgets for Wridgways indicate no growth for FY11 relative to FY10.

We have calculated the VWAP of Wridgways Shares for 10, 30, 60 and 90 day periods up to and including 16 September 2010, as illustrated in Figure 5.2.1c. These VWAPs have been calculated based on intra-day trading prices and volumes.

Figure 5.2.1c: Wridgways VWAP

(\$)	16 September 2010	10 Days	30 Days	60 Days	90 Days
Closing Price	2.72				
VWAP		2.59	2.57	2.57	2.55

Source: BDO analysis of share price data

The above VWAPs are calculated up to and including the close of trading on 16 September 2010, being the last trading prior to the announcement of the Scheme on 20 September 2010. Accordingly, they are not affected by the market's reaction to the announcement.

5.2.2 Liquidity

For the ASX quoted market price methodology to be reliable there should be a 'deep' market in the shares. Paragraph 53 of RG 111 indicates that a 'deep' market should reflect a liquid and active market. We consider the following characteristics to be representative of a deep market:

- Regular trading in a company's securities;
- Approximately 1% of a company's free float securities are traded on a weekly basis;
- The spread of a company's shares must not be so great that a single minority trade can significantly affect the market capitalisation of a company; and
- There are no significant but unexplained movements in share price.

A company's shares should meet all of the above criteria to be considered 'deep', however, failure of a company's securities to exhibit all of the above characteristics does not necessarily mean that the value of its shares cannot be considered relevant.

Our analysis in Figure 5.2.2a indicates that Wridgways has traded 0.3% of its free float on a weekly basis over the period prior to 17 September 2010. In our assessment of Wridgways' free float Shares, we have excluded shares held by Directors and related parties, as these Shares are not traded frequently.

Figure 5.2.2a: Free Float Trading

	No.		
Number of shares on issue			32,000,000
Number of shares controlled by Directors and related parties			6,517,403
Free float			25,482,597
	<i>1 Week</i>	<i>90 Days</i>	<i>180 Days</i>
Number of shares traded over period prior to 17 September 2010	153,886	1,105,121	2,200,733
% of free float traded	0.6%	4.3%	8.6%
Weekly Trades (% of free float traded)	0.6%	0.3%	0.3%
Annualised Trades (% of free float traded)	31%	17%	17%

Source: Bloomberg and BDO analysis of share price data

We note that 5 of the 90 trading days in our analysis had no trading activity. Over the year to 16 September 2010, 17% of Wridgways' free float was traded.

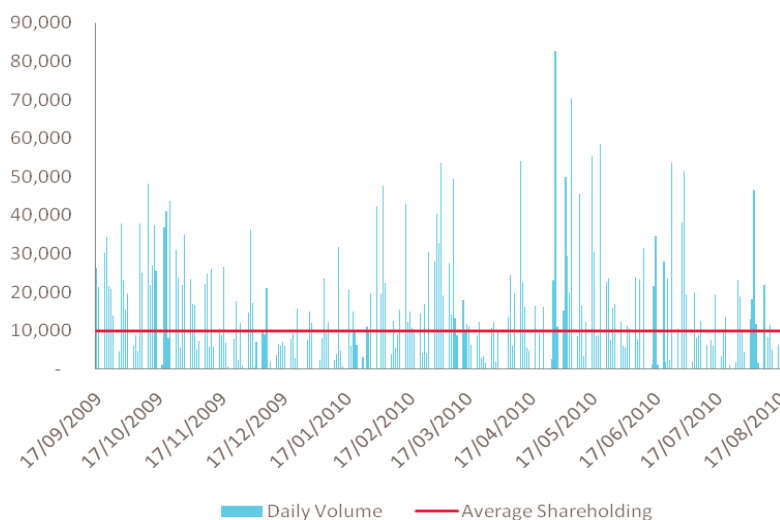
As set out in Figure 5.2.2b, the average shareholding by non-associated Shareholders is 9,854 Shares. Based on an average daily volume of 16,389 shares traded, the market is deep enough to absorb the disposal of approximately two average shareholdings per day.

Figure 5.2.2c compares the daily Share trading volume over the 12 months to 16 September 2010 with the average shareholding in Wridgways.

Figure 5.2.2b: Average Shareholding and Average Daily Volume

	No.
Free float	25,482,597
Number of non-associated Shareholders	2,586
Average shareholding	9,854
<hr/>	
Average daily volume of Shares traded over year to 16 September 2010	16,389
<i>Source: Bloomberg and BDO analysis of share volume data</i>	

Figure 5.2.2c: Average Shareholding and Daily Volume of Wridgways Shares



Source: Bloomberg BDO analysis of share volume data

Based on the analysis set out in Section 5.2.2, we make the following comments:

- The average weekly percentage of free float traded of under 0.5% suggests that there is not a particularly deep market for Wridgways Shares. The average daily volume of less than two average shareholdings confirms that a deep market for Wridgways Shares does not exist;
- As set out in Section 5.2.1, there are some movements in Wridgways' Share price that do not appear to have been caused by any specific factor or news announcement, which suggests that the movements may be attributable to a lack of liquidity impacting pricing; and
- However, the fact that 17% of Wridgways' free float traded over the past year suggests that trading in Wridgways is not completely illiquid.

Accordingly, we do not consider that there is a deep market in Wridgways shares. However, as trading on the ASX is the only avenue for a minority interest to be disposed of, and trading in Wridgways is not considered to be illiquid, then we consider the quoted market price to be relevant when considering the value of a Wridgways Share as a secondary valuation method.

5.2.3 ASX Market Price Valuation Summary

Figure 5.2.3 indicates the valuation range for Wridgways based on an ASX market based pricing methodology (both excluding and including a premium for control), subject to the following limitations:

- The Shares are not traded in a deep market; and
- As at the date of the Scheme announcement, no formal guidance in relation to Wridgways' FY11 earnings has been released to the ASX.

Figure 5.2.3: ASX Valuation of Wridgways

	Low	High
ASX market price valuation (before premium for control)	\$2.55	\$2.59
Premium for Control (Section 4.2)	20%	20%
ASX market price valuation (after premium for control)	\$3.06	\$3.11

Source: BDO

5.3 Assessment of Wridgways Value (Including a Premium for Control)

The results of the FME and ASX valuations performed are summarised in the figure below.

Figure 5.3: Assessment of Wridgways' Value

Valuation	Reference	Low	High
FME (including premium for control)	5.1	\$2.60	\$2.76
ASX (including premium for control)	5.2	\$3.06	\$3.11
Value per Share including Premium for Control (\$)		\$2.60	\$3.11

We have determined our valuation of Wridgways Shares after considering the following:

- Wridgways' FME valuation represents the market value of Wridgways after considering the risk and any potential growth relating to its operations; and
- Although not a deep market, Wridgways' Shares have exhibited sufficient liquidity and traded in a relatively stable range for the majority of the 90 days prior to 15 September 2010 to provide a reasonable indication of value.

6 Assessment of Fairness

A comparison of the value of Wridgways Shares and the value of the consideration offered by Santa Fe (plus the final dividend), is illustrated in Figure 6.1a.

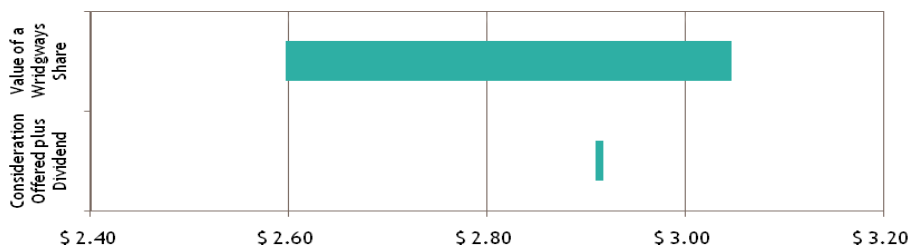
Figure 6.1a: Comparison of value of a Wridgways Share to Scheme Consideration plus Final Dividend

	Section	Low	High
Value of Consideration Offered plus Final Dividend	1	\$2.91	\$2.91
Value of Wridgways Shares	5	\$2.60	\$3.11

Source: BDO Analysis

This comparison is shown graphically in Figure 6.1b.

Figure 6.1b: Graphical comparison of value of a Wridgways Share to Scheme Consideration plus Final Dividend



Source: BDO Analysis

As reflected above, the value of the consideration offered by Santa Fe (plus the final dividend) is within our assessed range of value of Wridgways Shares.

Based on this, the Scheme is considered fair to Shareholders.

7 Assessment of Reasonableness

RG 111 considers an offer to be reasonable if:

- the offer is fair; or
- despite not being fair, but considering other significant factors, Shareholders should approve the Scheme in the absence of any superior alternative.

Given our conclusion that the Scheme is fair, the Scheme is reasonable.

Notwithstanding this, in accordance with our basis of evaluation (Section 2.2) we have investigated other significant factors to which the Shareholders might give consideration prior to approving the Scheme as set out in the following advantages and disadvantages.

7.1 Advantages of Approving the Scheme

Figure 7.1 sets out potential advantages to the Shareholders if the Scheme is approved relative to the position if the Scheme is rejected. The inverse of these advantages also represent the disadvantages to the Shareholders in the event that the Scheme is rejected.

Figure 7.1: Advantages to Shareholders of Approving the Scheme

Advantage	Comments
Opportunity to Exit Wridgways Shares	<ul style="list-style-type: none"> • The Scheme provides an opportunity to exit at a guaranteed price, without incurring brokerage or being subject to lack of liquidity in trade of Wridgways' Shares. As outlined in Section 5.2, less than two average Wridgways shareholdings have traded per day over the past 12 months. • Over the year to 16 September 2010, Wridgways Shares have closed at a price higher than \$2.91 on 4 occasions, with a collective volume traded at greater than \$2.91 of less than 1% of Shares on issue. Thus the Scheme provides an opportunity to exit at a price level very infrequently reached over the past 12 months. • Over the past 3 financial years, Wridgways has experienced declining profits and margins. In addition, the industry trend to 'move managers' and Wridgways' lack of an owned international network may impact Wridgways' future growth opportunities. Consequently, the Scheme offers Shareholders the opportunity to exit Wridgways and therefore avoid any downside risks associated with Wridgways.
Alternative Takeover Offers for Wridgways Unlikely	<ul style="list-style-type: none"> • Due to the relatively specialised nature of Wridgways' operations (and given the domestic relocation market is dominated by four key players, two of which are part of global networks), uncertainty around industry future, and the outcome of discussions Management have had with other possible suitors, a competing offer to the Scheme is unlikely.
Potential Tax Benefits of the Scheme	<ul style="list-style-type: none"> • It is Wridgways' intention that franking credits will be attached to both the final dividend paid on 6 October 2010, and any Discretionary Special Dividend. Providing certain qualifying conditions are met by Shareholders, these franking credits may provide tax benefits to Shareholders. • A general guide to the tax implications of the Scheme is set out in Section 8 of the Scheme Booklet. Shareholders should consult their tax advisor for advice on the tax consequences applicable to their specific circumstances.

Source: BDO Analysis and Management

7.2 Disadvantages of Approving the Scheme

Figure 7.2 sets out potential disadvantages to the Shareholders if the Scheme is approved relative to the position if the Scheme was rejected. The inverse of these disadvantages also represent the advantages to the Shareholders in the event that the Scheme is rejected.

Figure 7.2: Disadvantages to Shareholders of Approving the Scheme

Disadvantage	Description
Inability to Benefit From Potential Upside in Wridgways	<ul style="list-style-type: none"> Shareholders will not be able to benefit from any future potential upside in Wridgways' financial performance. However, we note that Management have forecast a decline in EBIT for FY11.
Forgo Stable Dividend Stream	<ul style="list-style-type: none"> Shareholders will no longer receive the distributions offered by Wridgways. We note that in the past these distributions have been relatively stable and Management has a dividend payout policy of approximately 80% of after tax earnings. However, notwithstanding the historical stability of the dividends, there is no certainty that distributions will be maintained into the future.
Potential Tax Implications	<ul style="list-style-type: none"> There will be potential tax consequences for Shareholders upon disposal of Wridgways Shares. A general guide to the tax implications of the Scheme is set out in Section 8 of the Scheme Booklet. Shareholders should consult their tax advisor for advice on the tax consequences applicable to their specific circumstances.

Source: BDO Analysis and Management

7.3 Position of Shareholders if the Scheme is Rejected

In accordance with our basis of evaluation set out in Section 2.2, we have also considered the position of Shareholders if the Scheme is rejected. The matters are considered below.

Figure 7.3: Position of Shareholders if the Scheme is Rejected

Matter	Description
Continued Ownership of Wridgways Shares	<ul style="list-style-type: none"> Shareholders will retain their Wridgways Shares and Wridgways will continue to operate as a stand-alone entity listed on the ASX. Wridgways will continue to focus on its current business plan and strategy. Therefore, Shareholders will continue to benefit from potential future dividend distributions and also share in the movement in Wridgways' Share price, positive or negative.
Potential Decline in Share Price	<ul style="list-style-type: none"> The Scheme provides an avenue for Shareholders to realise a guaranteed price for their shareholding. If the Scheme is not approved, those Shareholders who were looking to exit via the Scheme may sell their shareholdings on market. This could potentially have a significant and detrimental impact on the price of Wridgways shares.

Source: BDO Analysis and Management

8 Evaluation of the Scheme

Based on our assessment of fairness of the Scheme at Section 6 and the reasonableness issues set out in Section 7, we believe the Scheme is fair and reasonable and therefore in the best interests of Shareholders.

9 Qualifications

BDO has extensive experience in the provision of corporate finance advice, particularly in respect of takeovers, mergers and acquisitions.

BDO holds an Australian Financial Services Licence issued by the Australian Securities and Investments Commission for giving expert reports pursuant to the Listing Rules of the ASX and the Corporations Act.

The persons specifically involved in preparing and reviewing this report were Sebastian Stevens and David McCourt of BDO. They have significant experience in the preparation of independent expert's reports, valuations and merger and acquisitions advice across a wide range of industries in Australia.

10 Independence

BDO is entitled to receive a total fee of up to \$67,500 (excluding GST and reimbursement of out of pocket expenses) for completion of this Report. Except for this fee, BDO has not received and will not receive any pecuniary or other benefit whether direct or indirect in connection with the preparation of this Report.

BDO is a member of a national association of separate entities which are all members of BDO Australia. BDO and BDO Australia are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Prior to accepting this engagement BDO considered its independence with respect to Wridgways and any of their respective associates with reference to the ASIC Regulatory Guide 112 titled "Independence of Experts". In BDO's opinion it is independent of Wridgways and its respective associates.

BDO and BDO Australia do not have at the date of the Report, and have not had within the previous two years, any shareholding in or other relationship with Wridgways or any of its respective associates.

A draft of this report was provided to Wridgways and its advisors for confirmation of the factual accuracy of its contents. No significant changes were made to this Report as a result of this review.

In addition, BDO has been indemnified by Wridgways in respect of any claim arising from BDO's reliance on information provided by Wridgways, including the non-provision of material information, in relation to the preparation of this Report.

11 Disclaimers And Consents

This Report has been prepared at the request of Wridgways for inclusion in the Scheme Booklet which will be sent to all Shareholders. The Company engaged BDO to prepare an independent expert's report to consider the Scheme on behalf of Shareholders.

BDO hereby consents to this Report being included in the Scheme Booklet. Apart from such use, neither the whole nor any part of this Report, nor any reference thereto may be included in or with, or attached to any document, circular resolution, statement or letter without the prior written consent of BDO.

BDO takes no responsibility for the contents of the Scheme Booklet other than this Report.

BDO has not independently verified the information and explanations supplied to us, nor has it conducted anything in the nature of an audit of Wridgways. However, we have no reason to believe that any of the information or explanations so supplied are false or that material information has been withheld.

To the extent that our conclusions are based on projections, we express no opinion on the achievability of those projections. Neither BDO nor any member or employee of BDO undertakes responsibility in any way whatsoever to any person in respect of errors in this report arising from incorrect information provided by Management or in respect of the failure of projections to be achieved.

With respect to taxation implications it is recommended that individual Shareholders obtain their own taxation advice, in respect of the Scheme, tailored to their own particular circumstances. Furthermore, the advice provided in this report does not constitute legal or taxation advice to the Shareholders of Wridgways, or any other party.

The statements and opinions included in this Report are given in good faith and in the belief that they are not false, misleading or incomplete.

The terms of this engagement are such that BDO has no obligation to update this Report for events occurring subsequent to the date of this Report.

Appendix A Financial Services Guide

Dated 18 October 2010

BDO Securities (NSW-VIC) Pty Ltd ABN 82 065 203 492 ("BDO Securities" or "we" or "us" or "ours" as appropriate) has been engaged to issue general financial product advice in the form of a report to be provided to you.

1 FINANCIAL SERVICES GUIDE

In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide ("FSG"). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensees.

The FSG includes information about:

- Who we are and how we can be contacted;
- The services we are authorised to provide under our Australian Financial Services Licence, Licence No: 222438
- Remuneration that we and/or our staff and any associates receive in connection with the general financial product advice;
- Any relevant associations or relationships we have; and
- Our complaints handling procedures and how you may access them.

2 FINANCIAL SERVICES WE ARE LICENSED TO PROVIDE

We hold an Australian Financial Services Licence which authorises us to provide general financial product advice to retail and wholesale clients on securities and interests in managed investment schemes.

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

Any report we provide is provided on our own behalf as a financial services licensee authorised to provide the financial product advice contained in the report.

3 GENERAL FINANCIAL PRODUCT ADVICE

In our report we provide general financial product advice, not personal financial product advice, because it has been prepared without taking into account your personal objectives, financial situation or needs. You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

4 FEES, COMMISSIONS AND OTHER BENEFITS THAT WE MAY RECEIVE

We charge fees for providing reports, including this report. These fees are negotiated and agreed with the person who engages us to provide the report. Fees will be agreed on an hourly basis or as a fixed amount depending on the terms of the agreement. In this instance, the Company has agreed to pay us \$67,500 for preparing the Report.

Except for the fees referred to above, neither BDO Securities, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report.

5 REMUNERATION OR OTHER BENEFITS RECEIVED BY OUR EMPLOYEES

All our employees receive a salary. Our employees are eligible for bonuses based on overall productivity but not directly in connection with any engagement for the provision of a report.

6 REFERRALS

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

7 ASSOCIATIONS AND RELATIONSHIPS

BDO Securities is a wholly owned subsidiary of BDO (NSW-VIC) Pty Ltd, which is a member of an Australian association of independent accounting and management consulting firms trading under the name of "BDO".

From time to time BDO Securities or BDO and/or BDO related entities may provide professional services, including audit, tax and financial advisory services, to financial product issuers in the ordinary course of its business.

8 INDEPENDENCE

BDO Securities is independent of the entity that engages it to provide a report. The guidelines for independence in the preparation of reports are set out in the Regulatory Guide 112 issued by the Australian Securities and Investments Commission in October 2007. BDO Securities operates independently of the other members of BDO International in Australia.

9 COMPLAINTS RESOLUTION

9.1 INTERNAL COMPLAINTS RESOLUTION PROCESS

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints must be in writing, addressed to The Complaints Officer, BDO Securities, GPO Box 2551, Sydney NSW 2001.

When we receive a written complaint we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than 45 days after receiving the written complaint, we will advise the complainant in writing of our determination.

9.2 REFERRAL TO EXTERNAL DISPUTE RESOLUTION SCHEME

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Financial Ombudsman Service Limited ("FOS"). FOS is an independent company that has been established to impartially resolve disputes between consumers and participating financial services providers.

BDO Securities is a member of FOS (Member Number 11281).

Further details about FOS are available at the FOS website www.fos.org.au or by contacting them directly via the details set out below.

Financial Ombudsman Service Limited
GPO Box 3
MELBOURNE VIC 3001

Toll free: 1300 78 08 08
Facsimile: (03) 9613 6399

10 CONTACT DETAILS

You may contact us using the details set out at the top of our letterhead of this FSG.



Appendix B

Sources of Information

BDO has relied upon the following information for the purposes of this Report:

- a) Management Information from Wridgways (including unaudited management accounts)
- b) Wridgways Management Forecasts
- c) Bloomberg
- d) Australian Stock Exchange
- e) Information Available in the Public Domain
- f) Discussion with Directors and Management of Wridgways, and their advisors
- g) Scheme Booklet

Methodologies commonly used for valuing assets and businesses are as follows:

1. Discounted Future Cash Flows Methodology

DCF valuations are applicable to all businesses and specifically ones that demonstrate the following characteristics:

- Limited lives
- Current growth
- Start-up phase
- Irregular cash flows

The DCF methodology is based on the generally accepted theory that the value of an asset or business depends on its future net cash flows. Future cash flows are discounted to their present value at an appropriate discount rate. This discount rate represents an opportunity cost of capital reflecting the expected rate of return which investors can obtain from investments having equivalent risks.

A terminal value for the asset or business is calculated at the end of the future cash flow period. This is also discounted to its present value using the appropriate discount rate.

2. Capitalisation of Future Maintainable Earnings Methodology

The FME Methodology is particularly applicable to businesses with relatively steady growth histories and forecast, regular capital expenditure requirements and non-finite lives.

This method places a value on the business by estimating the likely FME. The FME is then capitalised at an appropriate rate which reflects:

- Business outlook,
- Business risk,
- Investor expectations,
- Future growth prospects and
- Other entity specific factors.

This approach relies on the availability and analysis of comparable market data.

The FME used in the valuation can be based on net profit after tax or alternatives to this such as EBIT or EBITDA. The capitalisation rate or earnings multiple is adjusted to reflect which FME base is being used.

3. Net Tangible Asset Value on a Going Concern Basis

NTA valuations are normally used as a secondary valuation method and as a basis for determining the level of goodwill implied in FME and DCF valuations.

The NTA Methodology is usually appropriate where the majority of assets consist of cash or passive investments, or the business is under performing. All assets and liabilities of the entity are valued at market value under this alternative and this combined market value forms the basis for the entity's valuation.

Often the FME and DCF methodologies are used in valuing assets forming part of the overall NTA valuation.

4. Future Maintainable Dividends Methodology

The FMD Methodology applies particularly to minority holdings in private and unlisted public companies. This methodology places a value on a company based on expected future dividend streams.

The FMD Methodology is similar to the FME Methodology and requires an estimation of the future maintainable dividends, a required rate of return and expected rate of dividend growth.

5. Quoted Market Price Valuation

For listed entities such as Wridgways, a further method that can be used is the quoted price for securities. Where there is a ready market for securities such as the ASX through which Wridgways shares are traded, recent prices at which shares are bought and sold can be taken as the market value, per shares.

Such market value includes all factors and influences that impact upon the ASX. If shares in an entity are thinly traded, then less reliance can be placed on the current listed price.

Appendix D
Comparable Company Information - Wridgways

(Analysis as at 17 September 2010)

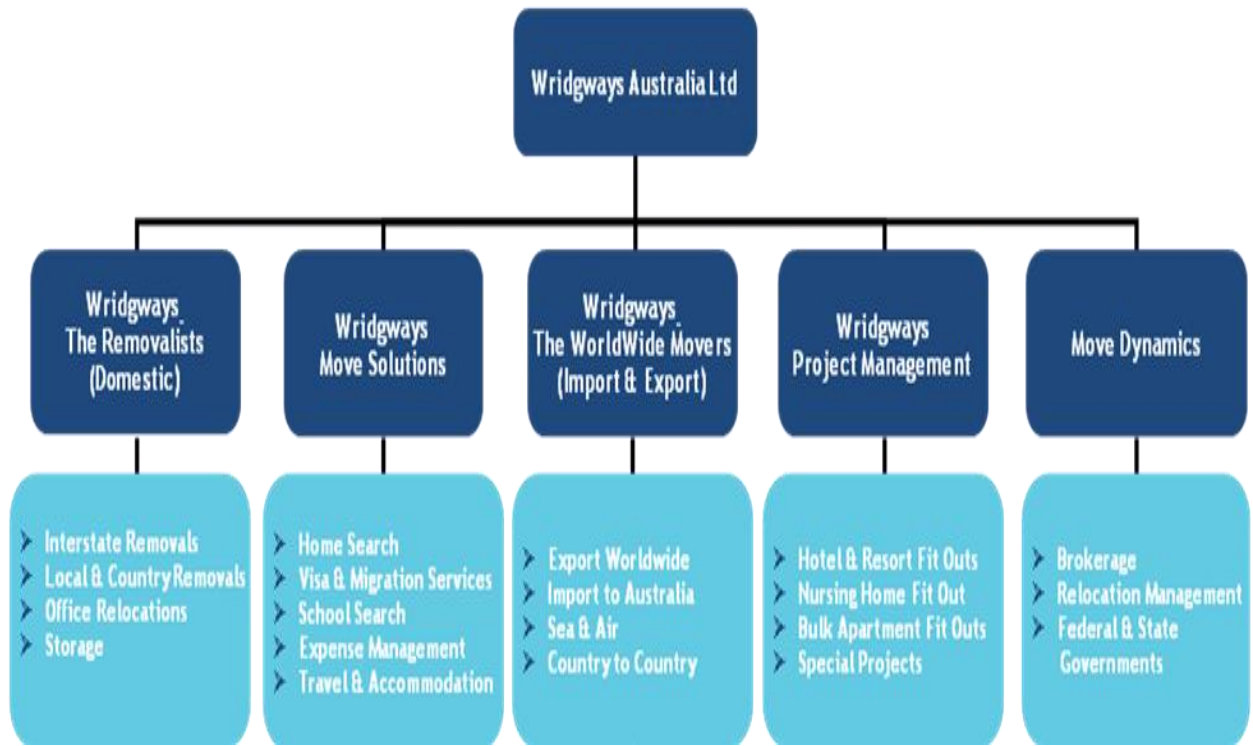
COMPARABLE COMPANIES	Note	Market Capitalisation (\$M)	Enterprise Value (\$M)	Revenue (\$M)	Historical EBIT (\$M)			EBIT Multiple		
		Latest	Latest	Latest	FY09 EBIT	FY10 EBIT	FY11 Forecast EBIT	FY09 EBIT	FY10 EBIT	FY11 Forecast EBIT
K & S Corporation Ltd	1	206	258	454	25.15	27.67	38.60	10.27	9.33	6.69
CTI Logistics Ltd	2	44	63	61	5.89	6.66	N/A	10.66	9.44	N/A
Lindsay Australia Ltd	3	40	102	217	7.63	5.92	8.99	13.33	17.17	11.31
Chalmers Ltd	4	16	32	48	3.05	3.74	N/A	10.34	8.44	N/A
Scott Corporation Ltd	5	35	46	158	2.30	5.44	N/A	19.80	8.38	N/A
High								19.80	17.17	11.31
Low								10.27	8.38	6.69
Average								12.88	10.55	9.00
Average (excluding outliers)								11.15	8.90	9.00

Source: Bloomberg

Note:

- 1 K & S Corporation Limited provides transportation, warehousing, logistics, fuel distribution and various services to companies throughout Australia. K & S provides road, rail and sea forwarding services, warehousing and storage services.
- 2 CTI Logistics Limited provides courier services, freight forwarding, parcel, warehousing, logistic and customs broking services. The Company also designs, produces and installs security systems in Western Australia along with some plastic manufacturing services.
- 3 Lindsay Australia Limited is an integrated transport, logistics and rural supply company focussed in the food processing, fresh produce, rural and horticultural sectors.
- 4 Chalmers Limited provides various bulk transportation and storage services in Australia and New Zealand. The Company operates a fleet of 100 vehicles out of Melbourne and Brisbane.
- 5 Scott Corporation Limited provides bulk haulage of materials including chemical, food, gas and waste products. The Company's other services include warehousing and distribution, materials handling and waste management.

Appendix E
Operational Structure - Wridgways



Source: Management



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Annexure B – Implementation Agreement

Scheme implementation agreement

Wridgways Australia Limited
Target

Santa Fe Holdings Ltd.
Bidder

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Scheme implementation agreement dated 20 September 2010

Parties **Wridgways Australia Limited ABN 82 079 887 728** of 26 - 40 Nina Link, Dandenong South, Victoria 3175, Australia (**Target**)

Santa Fe Holdings Ltd. of 18/F CC Wu Building, 302-8 Hennessy Road, Wanchai, Hong Kong (**Bidder**)

Background

- A. Bidco proposes to acquire all of the Target Shares for the Scheme Consideration pursuant to a scheme of arrangement under Part 5.1 of the Corporations Act.
- B. The Target has agreed to propose the Scheme and issue the Explanatory Memorandum at the request of the Bidder, and the Target and the Bidder have agreed to implement the Scheme on the terms and conditions of this agreement.

Operative provisions

1. Definitions and interpretation

1.1 Definitions

In this agreement:

Accounting Standards means, at any time:

- (a) the requirements of the Corporations Act about the preparation and contents of financial reports;
- (b) the accounting standards approved under the Corporations Act; and
- (c) generally accepted accounting principles, policies, practices and procedures in Australia to the extent not inconsistent with the accounting standards described in paragraph (b).

Accounts means the audited, consolidated financial statements of the Target Group for the financial year ended on 30 June 2010 comprising:

- (a) a balance sheet or statement of financial position;
- (b) an income statement or statement of comprehensive income;
- (c) a statement of changes in equity;
- (d) a cash flow statement or statement of cash flows; and
- (e) the notes to those financial statements.

All Ordinaries Index means the index relating to the Australian share market named "All Ordinaries" and which bears the ASX code "XAO".

Announced Dividend means the dividend of \$0.11 per Target Share declared by the Target in respect of the financial year ended 30 June 2010 and payable on 6 October 2010 to the Target Shareholders of record on 29 September 2010.

ASIC means the Australian Securities and Investments Commission.

ASX means, as the context requires, ASX Limited ACN 008 624 691 or the securities market conducted by ASX Limited.

ATO means Australian Taxation Office.

Authorisation means any licence, consent, approval, permit, registration, accreditation, certification or other authorisation given or issued by any Regulatory Authority or any other person.

Bidco means a direct or indirect wholly owned subsidiary of the Bidder, nominated in writing by the Bidder to the Target.

Bidder Board means the board of directors of the Bidder.

Bidder Group means the Bidder and each Related Entity of the Bidder.

Bidder Indemnified Parties means the Bidder, its Related Entities and each of their respective Representatives.

Bidder Information means all information regarding the Bidder and its Related Entities that is required by the Corporations Act, Listing Rules and the Policy Statements to be included in the Explanatory Memorandum including all the information that would be required under sections 636(1)(c), (f), (h), (i), (k)(ii), (l) and (m) of the Corporations Act to be included in a bidder's statement if the Bidder were offering the Scheme Consideration as consideration under a takeover bid, and for the avoidance of doubt does not include the Target Information, the Independent Expert's Report and the Tax Information.

Bidder Warranties means the warranties set out in Schedule 4.

Break Fee means \$750,000.

Business means the business conducted by the Target Group.

Business Day means a business day as defined in the Listing Rules.

Claim means any claim, demand or cause of action whether arising in contract, tort, under statute or otherwise in relation to:

- (a) any provision of a Transaction Document;
- (b) the Target Shares or their acquisition by the Bidder; or
- (c) any matter connected with any member of the Target Group.

Competing Proposal means a proposed transaction or arrangement pursuant to which a person other than the Bidder or any of its Related Entities would, if the proposed transaction or arrangement is entered into or completed substantially in accordance with its terms:

- (a) directly or indirectly acquire, have a right to acquire or otherwise acquire an economic interest in, all or a substantial part of the Business;
- (b) acquire a Relevant Interest in, or enter into any agreement connected with or relating to the acquisition of a Relevant Interest in, 20% or more of Target Shares or otherwise acquire Control of the Target or the Target Group; or
- (c) otherwise acquire or merge with the Target whether by way of takeover offer, scheme of arrangement, shareholder approved acquisition, capital reduction, share buy back, sale or purchase of assets, joint venture, reverse takeover, dual-listed

company structure or other synthetic merger or any other transaction or arrangement.

Condition means each condition specified in clause 3.1.

Control has the meaning given in section 50AA of the Corporations Act.

Corporations Act means the Corporations Act 2001 (Cth).

Counterproposal has the meaning given in clause 9.7.

Court means the Federal Court of Australia or such other court of competent jurisdiction as the Target and the Bidder agree in writing.

Data Room means the electronic data room established by the Target to allow the Bidder to undertake due diligence in respect of the Target Group.

Deed Poll means a deed poll to be executed by the Bidder and Bidco in favour of the Scheme Shareholders, substantially in the form set out in Annexure B or in such other form as the Target and the Bidder agree in writing.

Disclosure Letter means the letter from the Target to the Bidder entitled "Disclosure Letter", dated the same date as this agreement and countersigned by the Bidder.

Discretionary Special Dividend means a proposed fully franked dividend of no more than \$0.45 per Target Share, payable subject to approval of the Scheme by the Scheme Shareholders, that may be declared in the Target Directors' absolute discretion, by no later than the last date permitted by the Listing Rules to enable payment on the Discretionary Special Dividend Payment Date.

Discretionary Special Dividend Payment Date means the date which is 7 Business Days after the Effective Date.

Discretionary Special Dividend Record Date means 7.00pm on the date which is 4 Business Days after the Effective Date.

Effective means the coming into effect, pursuant to section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme.

Effective Date means the date on which the Scheme becomes Effective.

Encumbrance means a mortgage, charge, pledge, lien, encumbrance, security interest, title retention, preferential right, trust arrangement, contractual right of set-off, or any other security agreement or arrangement in favour of any person, whether registered or unregistered.

End Date means the date which is 6 months after the date of this agreement.

Explanatory Memorandum means the explanatory memorandum to be prepared by the Target in respect of the Scheme in accordance with the terms of this agreement and to be dispatched to the Target Shareholders.

Exclusivity Period means the period commencing on the date of this agreement and ending on the earlier of:

- (a) the date this agreement is validly terminated in accordance with its terms; and
- (b) the Implementation Date.

First Court Date means the first day of hearing of an application made to the Court for an order pursuant to section 411(1) of the Corporations Act convening the Scheme Meeting or, if the hearing of such application is adjourned for any reason, means the first day of the adjourned hearing.

GST has the meaning given in the GST Act.

GST Act means the A New Tax System (Goods and Services Tax) Act 1999 (Cth).

Guarantee means any guarantee, bond, security deposit, letter of credit or suretyship or any other obligation to pay, purchase or provide funds (whether by the advance of money, the purchase of or subscription for shares or other securities, the purchase of assets or services, or otherwise) for the payment or discharge of, to indemnify against the consequences of default in the payment of, or otherwise be responsible for, any indebtedness of, obligation of, liability of or the insolvency of any other person.

Implementation Date means the date which is 1 Business Day after the Record Date or such other date as the Target and the Bidder agree in writing.

Indemnified Losses means, in relation to any fact, matter or circumstance, all losses, costs, damages, expenses and other liabilities arising out of or in connection with that fact, matter or circumstance including all legal and other professional expenses on a solicitor-client basis incurred in connection with investigating, disputing, defending or settling any claim, action, demand or proceeding relating to that fact, matter or circumstance (including any claim, action, demand or proceeding based on the terms of this agreement).

Independent Expert means the independent expert to be engaged by the Target to express an opinion as to whether the Scheme is in the best interests of the Target Shareholders.

Independent Expert's Report means the report from the Independent Expert in respect of the Scheme.

Insolvency Event means the occurrence of any one or more of the following events in relation to a person:

- (a) an application is made to court (unless it is frivolous or struck out or withdrawn within 3 Business Days) or a resolution is passed or an order is made for the winding up or dissolution of the person;
- (b) the person proposes or takes any steps to implement a scheme of arrangement or other compromise or arrangement with its creditors or any class of them;
- (c) a receiver, receiver and manager, liquidator, provisional liquidator, administrator, trustee or similar officer is appointed in respect of the person or any of its assets;
- (d) anything occurs under the law of any jurisdiction which has a substantially similar effect to any of the events set out in paragraphs (a) to (c) in relation to the person.

Listing Rules means the official listing rules of ASX.

Market Material Adverse Change means on any ASX trading day in the period between the date of this agreement and the ASX trading day immediately prior to the Second Court Date (inclusive), the All Ordinaries Index at the close of trading on that day and the previous 4 ASX trading days is 15% or more below its level as at the close of trading on the ASX trading day immediately prior to the date of this agreement.

Material Contract means any agreement or arrangement to which a member of the Target Group is party that:

- (a) requires or may require payments to or by that member in excess of \$200,000 in aggregate;
- (b) cannot be performed in full within 12 months from the date it was entered into or validly terminated by that member without the payment of any compensation on 3 months notice or less; or
- (c) might otherwise reasonably be expected to be material to the operation or profitability of the Target Group.

Officer has the meaning given in section 9 of the Corporations Act.

Policy Statements means all policy statements and practice notes published by ASIC and in force at the date of this agreement.

Power means any right, power, authority, discretion or remedy conferred on a party by this agreement or any applicable law.

Professional Costs means the Target's third party professional costs (including external advisors' fees and costs) related to the Scheme.

Property means the properties and premises at which members of the Target Group conduct the Business.

Record Date means 7.00 pm on the date which is 8 Business Days after the Effective Date or such other time and date (after the Effective Date) as the Bidder and the Target agree in writing.

Records means all originals and copies of all books, records, reports, correspondence, files, manuals and other documents and information created by, owned by, or relating to any member of the Target Group, whether in printed, electronic or any other form and including all:

- (a) statutory books and registers, minute books, books of account, trading and financial records, employee records, tax returns and related correspondence;
- (b) customer lists, supplier lists, price lists, pricing models and sales and marketing materials;
- (c) title deeds and other documents of title; and
- (d) originals and copies of all contracts and Authorisations,

other than any Strategic Document.

Regulator's Draft means the draft of the Explanatory Memorandum in a form acceptable to both parties which is provided to ASIC pursuant to section 411(2) of the Corporations Act.

Regulatory Authority means:

- (a) any government or local authority and any department, minister or agency of any government; and

- (b) any other authority, agency, commission or similar entity having powers or jurisdiction under any law or regulation or the listing rules of any recognised stock or securities exchange.

Regulatory Conditions means the Conditions set out in clauses 3.1(a) and 3.1(b).

Regulatory Review Period means the period from the date on which the Target provides a draft of the Explanatory Memorandum to ASIC in accordance with clause 4.2(g) to the date on which ASIC provides a letter indicating whether or not it proposes to appear to make submissions, or will intervene to oppose the Schemes, when the application made to the Court for orders under section 411(1) of the Corporations Act convening the Scheme Meeting to consider the Scheme is heard.

Related Entity of a corporation means:

- (a) a related body corporate of that corporation within the meaning of section 50 of the Corporations Act; and
- (b) a trustee of any unit trust in relation to which that corporation, or a corporation referred to in paragraph (a), directly or indirectly:
 - (i) controls the right to appoint the trustee;
 - (ii) is in a position to control the casting of, more than one half of the maximum number of votes that might be cast at a meeting of holders of units in the trust; or
 - (iii) holds or is in a position to control the disposal of more than one half of the issued units of the trust.

Relevant Interest has the meaning given in sections 608 and 609 of the Corporations Act.

Representatives means, in relation to a party, all officers, employees, professional advisers and agents of the party or of its Related Entities.

Required Consultation Period means the period commencing at the time both parties become aware that clause 3.9(a) or 3.9(b) (as applicable) is triggered and ending on the earlier of:

- (a) the end of the day that is 5 Business Days after both parties become so aware; and
- (b) 8.00 am on the Second Court Date.

Reverse Break Fee means \$750,000.

Rival Bidder has the meaning given to the term in clause 9.5.

Scheme means a scheme of arrangement under Part 5.1 of the Corporations Act between the Target and the Scheme Shareholders substantially in the form set out in Annexure A or in such other form as the Target and the Bidder agree in writing.

Scheme Consideration means \$2.80 cash for each Scheme Share less the cash amount of any Discretionary Special Dividend paid or to be paid.

Scheme Meeting means the meeting to be convened by the Court in relation to the Scheme pursuant to section 411(1) of the Corporations Act.

Scheme Share means a Target Share on issue on the Record Date.

Scheme Shareholder means each person who holds Scheme Shares.

Second Court Date means the first day of hearing of an application made to the Court for an order pursuant to section 411(4)(b) of the Corporations Act approving the Scheme or, if the hearing of such application is adjourned for any reason, means the first day of the adjourned hearing.

Standard Rate in relation to interest payable on any payment due under this agreement means the rate which is the 90 day Bank Bill Swap Reference Rate (Average Bid) as published in the Australian Financial Review on the first date on which interest accrues on that payment (or if that rate or publication is not published, the rate determined by the parties, acting reasonably, to be the nearest equivalent rate having regard to prevailing market conditions) plus (in either case) a margin of 2% per annum.

Strategic Document means any document in the possession of the Target whose content relates to:

- (a) the Target's strategy or possible strategy in connection with, or in response to, the proposed acquisition of the securities of the Target by a member of the Bidder Group or a Competing Proposal; or
- (b) the terms of a Competing Proposal.

Subsidiary has the meaning given in section 9 of the Corporations Act.

Superior Proposal means a bona fide, written Competing Proposal received by the Target after the date of this agreement which the Target Board determines, acting in good faith and acting reasonably (after consultation with, and the receipt of written advice from, its external legal advisors practising in the area of corporate law):

- (a) is reasonably capable of being valued and completed, taking into account all aspects of the Competing Proposal and the person or persons making it; and
- (b) would, if completed substantially in accordance with its terms, be more favourable to the Scheme Shareholders than the Scheme, taking into account all aspects of the Competing Proposal.

Target Announcement means an announcement in the form of Annexure C.

Target Board means the board of directors of the Target.

Target Director means a director of the Target.

Target Group means the Target and each Related Entity of the Target.

Target Indemnified Parties means the Target, its Related Entities and each of their respective Representatives.

Target Information means all information included in the Explanatory Memorandum other than the Bidder Information, the Independent Expert's Report and the Tax Information.

Target Material Adverse Change means any event, occurrence or matter which results in, or could with a high degree of probability be expected to result in (whether now or in the future) an adverse effect of \$1,280,000 or greater on the budgeted consolidated profit before interest and tax (after extraordinary or non-recurring items) of the Target Group for the 12 months to 30 June 2011 (which amount shall be calculated after taking into account any event, occurrence or matter not disclosed prior to the date of this agreement which has or could reasonably be expected to have a positive effect on the consolidated profit before, interest and

tax (after extraordinary or non-recurring items) of the Target Group), other than an event, occurrence or matter:

- (a) reasonably attributable to the execution of the Transaction Documents or the announcement of the Scheme and the completion of the transactions contemplated by them; or
- (b) fairly disclosed in the Disclosure Letter or in any announcement made by Target to ASX prior to the parties entering into this agreement.

The disclosure of a possible commercial opportunity of the Target Group prior to the date of this Agreement which after the date of this Agreement becomes an event, occurrence or matter which has or could reasonably be expected to have a positive effect on the consolidated profit before interest and tax (after extraordinary or non-recurring items) of the Target Group, will not be excluded from the calculation referred to above.

Target Prescribed Occurrence means any of the occurrences set out in Schedule 2, other than:

- (a) as required to be done by the Target under the Transaction Documents; or
- (b) as approved by the Bidder in writing (prior to the occurrence); or
- (c) in relation to any occurrence except those numbered 1 to 12, as fairly disclosed in the Disclosure Letter or in the Data Room.

Target Shareholder means a person who is registered in the Target Share Register as a holder of Target Shares.

Target Shares means fully paid ordinary shares in the capital of the Target.

Target Share Register means the register of members of the Target maintained by or on behalf of the Target in accordance with section 168(1) of the Corporations Act.

Target Share Registry means Computershare Investor Services Pty Limited of 452 Johnston Street, Abbotsford, Vic 3067.

Target Warranties means the warranties set out in Schedule 3.

Tax means any tax, levy, excise, duty, charge, surcharge, contribution, withholding tax, impost or withholding obligation of whatever nature, whether direct or indirect, by whatever method collected or recovered, together with any fees, penalties, fines, interest or statutory charges.

Tax Authority means any Regulatory Authority responsible for the assessment, collection, withholding or administration of Tax in any country or jurisdiction.

Tax Information means all information included in the Explanatory Memorandum in respect of the tax consequences of the Scheme which has been prepared by Pricewaterhouse Coopers (a partnership formed in Australia or, as the context requires, the PricewaterhouseCoopers global network or other member firms of the network, each of which is a separate and independent legal entity).

Third Party means a person other than a member of the Bidder Group or the Target Group.

Timetable means the indicative timetable in relation to the Scheme set out in Schedule 1, or such other indicative timetable as the Target and the Bidder agree in writing.

Transaction means the acquisition by Bidco (or a Related Entity of the Bidder) of the Scheme Shares for the Scheme Consideration pursuant to the Scheme.

Transaction Documents means:

- (a) this agreement;
- (b) the Scheme; and
- (c) the Deed Poll.

Warranty Claim means any Claim by a party arising out of a breach of a Target Warranty or Bidder Warranty (as applicable).

WBR means Wridgways Business Relocations Pty. Ltd. ABN 64 099 379 423.

1.2 Reasonable endeavours

Any provision of this agreement which requires a party to use reasonable endeavours or all reasonable endeavours to procure that something is performed or occurs or does not occur does not include any obligation to commence any legal action or proceeding against any person except where that provision expressly specifies otherwise.

1.3 Business days

If the day on which any act to be done under this agreement is a day other than a Business Day, that act must be done on or by the next Business Day except where this agreement expressly specifies otherwise.

1.4 Listing rules are law

A listing rule or business rule of a financial market or securities exchange will be regarded as a law for the purposes of this agreement.

1.5 Statements on the basis of knowledge

Any statement made by the Target on the basis of knowledge is made on the basis that its knowledge is limited to the actual knowledge of each of the Target Directors and to matters which the Target Directors ought to have known by virtue of their position as directors of the Target.

1.6 General rules of interpretation

In this agreement headings are for convenience only and do not affect interpretation and, unless the contrary intention appears:

- (a) a word importing the singular includes the plural and vice versa, and a word of any gender includes the corresponding words of any other gender;
- (b) the word **including** or any other form of that word is not a word of limitation;
- (c) if a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;
- (d) a reference to a **person** includes an individual, the estate of an individual, a corporation, an authority, an association or parties in a joint venture, a partnership and a trust;

- (e) a reference to a party includes that party's executors, administrators, successors and permitted assigns, including persons taking by way of novation and, in the case of a trustee, includes any substituted or additional trustee;
- (f) a reference to a document (including this agreement) is to that document as varied, novated, ratified or replaced from time to time;
- (g) a reference to a party, clause, schedule, exhibit, attachment, or annexure is a reference to a party, clause, schedule, exhibit, attachment, or annexure to or of this agreement, and a reference to this agreement includes all schedules, exhibits, attachments, and annexures to it;
- (h) a reference to an agency or body if that agency or body ceases to exist or is reconstituted, renamed or replaced or has its powers or function removed (**obsolete body**), means the agency or body which performs most closely the functions of the obsolete body;
- (i) a reference to a statute includes any regulations or other instruments made under it (**delegated legislation**) and a reference to a statute or delegated legislation or a provision of either includes consolidations, amendments, re-enactments and replacements;
- (j) a reference to **\$** or **dollar** or **cents** is to Australian currency;
- (k) a reference to time is to Sydney, Australia time; and
- (l) this agreement must not be construed adversely to a party just because that party prepared it or caused it to be prepared.

2. Obligations in relation to Scheme

2.1 Target to propose and implement Scheme

The Target must propose and implement the Scheme on and subject to the terms and conditions of this agreement.

2.2 Bidder to assist

The Bidder must:

- (a) assist the Target to propose and implement the Scheme, and procure that Bidco assists the Target to propose and implement the Scheme, on and subject to the terms and conditions of this agreement; and
- (b) where an obligation is expressed to be imposed on the Bidder under this document, procure that Bidco complies with that obligation.

2.3 Target acknowledgement

The Target acknowledges and agrees that:

- (a) where a right is expressed in favour of the Bidder under this document, Bidco is entitled to the benefit of that right (in place of the Bidder);
- (b) the Bidder enters into this agreement on its own behalf and as agent for and on behalf of Bidco and holds the benefit of this agreement as trustee for Bidco; and

- (c) the provisions of this agreement may be enforced by the Bidder on behalf of and for the benefit of Bidco.

2.4 Scheme Consideration

The Bidder undertakes to the Target (in the Target's own right and separately as trustee for each of the Scheme Shareholders) that, in consideration for the transfer to the Bidder of Scheme Shares held by Scheme Shareholders under the terms of the Scheme, the Bidder or Bidco will:

- (a) accept or procure that Bidco accepts that transfer; and
- (b) pay or procure the payment of the Scheme Consideration in accordance with the terms of the Scheme.

3. Conditions precedent

3.1 Conditions

Subject to this clause 3, the obligations of the Bidder under clause 4.3(i) and the Target under clauses 4.2(r) and 4.2(s) do not become binding on the parties and have no force or effect, and the Scheme must not become Effective, until each of the conditions listed in the first column of the following table has been either satisfied or waived in accordance with clause 3.7:

Condition	Right to waive
(a) before 8.00 am on the Second Court Date, ASIC and ASX issue or provide such consents or approvals or do other acts which the Bidder and the Target agree are necessary to implement the Transaction. If such consents, approvals or doing of other acts are subject to conditions those conditions must be acceptable to the Bidder and the Target;	Bidder and Target
(b) no temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction, no preliminary or final decision, determination, or order issued by any Regulatory Authority and no other legal restraint preventing any of the transactions contemplated by this agreement is in effect as at 8.00 am on the Second Court Date;	Bidder and Target
(c) no Target Material Adverse Change has occurred after the date of this agreement and before 8.00 am on the Second Court Date;	Bidder
(d) no Market Material Adverse Change has occurred after the date of this agreement and before 8.00 am on the Second Court Date;	Bidder
(e) no Target Prescribed Occurrence has occurred or becomes known to the Bidder after the date of this agreement and before 8.00 am on the Second Court Date;	Bidder
(f) before 8.00 am on the Second Court Date, the Target Shareholders approve the Scheme by the majorities required	None

Condition	Right to waive
under section 411(4)(a)(ii) of the Corporations Act;	
(g) the Court approves the Scheme in accordance with section 411(4)(b) of the Corporations Act;	None
(h) the Target Warranties are true and correct in all material respects on the date of this agreement and as at 8.00 am on the Second Court Date;	Bidder
(i) the Bidder Warranties are true and correct in all material respects on the date of this agreement and as at 8.00 am on the Second Court Date; and	Target
(j) the Independent Expert provides the Independent Expert's Report to the Target Board for inclusion in the Explanatory Memorandum stating that in its opinion the Scheme is in the best interests of the Target Shareholders.	None

3.2 Obligations in relation to Conditions

Each party must:

- (a) use all reasonable endeavours to ensure that each Condition:
 - (i) is satisfied as soon as practicable after the date of this agreement and in any event before the End Date; or
 - (ii) continues to be satisfied at all times until the last time it is to be satisfied, as the case requires;
- (b) not take any action that will or is reasonably likely to hinder or prevent the satisfaction of any Condition except to the extent that such action is required to be taken pursuant to, or is otherwise permitted by, this agreement or is required by law;
- (c) co-operate with, and comply with all reasonable requests of, the other party for the purposes of procuring the satisfaction of any Condition; and
- (d) keep the other party informed of any fact, matter or circumstance of which it becomes aware that may result in a Condition not being satisfied in accordance with its terms.

3.3 Obligations in relation to Regulatory Conditions

Without limiting clause 3.2 but subject to clause 3.4, the Bidder and the Target must use all reasonable endeavours to ensure that each Regulatory Condition is satisfied as soon as practicable after the date of this agreement and in particular the Bidder and the Target must:

- (a) provide to the other party (as applicable) a draft of each document which it has prepared for the purposes of procuring satisfaction of any Regulatory Condition and a reasonable opportunity to comment on that draft (except to the extent such document contains commercially sensitive information);

- (b) provide to the other party (as applicable) a copy of each notice given, application made and all other information supplied to any third party, and each notice or request received from any Regulatory Authority in connection with procuring the satisfaction of any Regulatory Condition;
- (c) notify the other party (as applicable) of any meetings to be held with a Regulatory Authority for the purposes of procuring the satisfaction of any Regulatory Condition and permit the other party and its professional advisers to be present at such meeting; and
- (d) consult with the other party (as applicable) in relation to any further information to be provided to the relevant Regulatory Authority.

3.4 Provision of undertakings

Notwithstanding any other provision of this agreement, for the purposes of satisfying any Regulatory Condition, the Bidder is not required to agree to any conditions or to provide or to agree to provide any written undertakings to a Regulatory Authority which are not acceptable to the Bidder.

3.5 Notice of satisfaction of Conditions

Each party must promptly after becoming aware of the satisfaction of any Condition notify the other party of the satisfaction of that Condition and provide reasonable evidence that the Condition has been satisfied.

3.6 Notice of failure of satisfaction of Conditions

Each party must promptly after becoming aware of the failure to satisfy a Condition notify the other party of the failure to satisfy that Condition.

3.7 Waiver of Conditions

The breach or non-fulfilment of a Condition:

- (a) may not be waived if the word "None" appears in the second column of the table in clause 3.1 opposite that Condition;
- (b) may be waived and may only be waived:
 - (i) if one party is specified in the second column of the table in clause 3.1 opposite that Condition, by that party by notice to the other party; or
 - (ii) if both parties are specified in the second column of the table in clause 3.1 opposite that Condition, by written agreement between both parties.

A party entitled to waive or to agree to waive the breach or non-fulfilment of a Condition under this clause 3.6 may do so in its absolute discretion. A party that waives or agrees to waive a Condition is not prevented from bringing a Claim against the other party in respect of any breach of this agreement that caused that Condition not to be satisfied.

3.8 Certificate in relation to Conditions

Each party must:

- (a) give the Court on the Second Court Date a certificate confirming (in respect of matters within its knowledge) whether or not the Conditions (other than the Condition in clause 3.1(g)) have been satisfied or waived; and
- (b) give the other party a draft of its certificate by 5.00 pm on the Business Day prior to the Second Court Date.

3.9 Consultation on failure of Conditions

If:

- (a) there is a breach or non-fulfilment of a Condition which is not waived in accordance with this agreement; or
- (b) any fact, matter or circumstance will prevent a Condition being satisfied by the date specified in clause 3.1 for its satisfaction (and the relevant breach or non-fulfilment of the Condition has not otherwise been waived in accordance with this agreement),

the parties must (unless the Condition in question is the Condition in clause 3.1(f) and the fact, matter or circumstance which will prevent the Condition from being satisfied by the date specified in clause 3.1(f) is the failure of Target Shareholders to approve the Scheme by the majorities required under section 411(4)(a)(ii) of the Corporations Act at the Scheme Meeting) consult in good faith to:

- (c) determine whether a transaction which results in the Bidder having legal and beneficial ownership of all Target Shares may proceed by an alternative means or method;
- (d) extend the time or date for satisfaction of the relevant Condition or the End Date; or
- (e) change the date of application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme or adjourning that application (as applicable) to another date agreed by the parties (being a date no later than 5 Business Days before the End Date).

3.10 Termination of agreement

If the parties are unable to reach agreement under clause 3.9 within the Required Consultation Period, then unless the breach or non-fulfilment of the Condition is waived in accordance with this agreement, either party may terminate this agreement by notice in writing to the other party without incurring any liability for that termination (other than a liability under clause 10 or clause 11 if applicable), except where the relevant Condition has become incapable of satisfaction, has not been satisfied, or ceases to be satisfied, as a direct result of a failure by the party seeking to terminate to comply with a material obligation under this agreement.

4. Implementation of Scheme

4.1 Timetable

The parties acknowledge that the Timetable is an indicative timetable and will consult with each other regularly in relation to:

- (a) performing their respective obligations within the framework established by the Timetable; and
- (b) any need to modify the Timetable.

4.2 Target's obligations

The Target must take all steps reasonably necessary to propose and implement the Scheme as soon as practicable after the date of this agreement and so as to complete the Transaction substantially in accordance with the Timetable, and in particular the Target must:

- (a) **promote merits of Transaction:** participate in, and ensure the Target Board participates in, efforts reasonably requested by the Bidder to promote the merits of the Transaction to Target Shareholders, including meeting with key shareholders at the reasonable request of the Bidder;
- (b) **appoint counsel and approach court:** appoint Senior Counsel or Queen's Counsel reasonably experienced in schemes of arrangement to represent the Target in Court on the First Court Date and the Second Court Date and apply to the Court for the First Court Date and Second Court Date hearings;
- (c) **Explanatory Memorandum:** prepare the Explanatory Memorandum in accordance with the requirements of the Corporations Act, the Listing Rules and the Policy Statements, provide successive advanced drafts of the Explanatory Memorandum to the Bidder and allow the Bidder a reasonable opportunity to review and comment on those drafts, consult with the Bidder in relation to the content and presentation of those drafts and consider in good faith comments on, and suggested amendments to, those drafts from the Bidder and its Representatives;
- (d) **Independent Expert:** promptly appoint the Independent Expert and provide all assistance and information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's Report;
- (e) **Bidder Information:** incorporate the Bidder Information in the Explanatory Memorandum and update and amend such Bidder Information as reasonably requested by the Bidder prior to finalising the Regulator's Draft;
- (f) **proposed Regulator's Draft:** provide the Bidder with the proposed Regulator's Draft at least 2 Business Days before its proposed submission to ASIC to enable the Bidder to review the proposed Regulator's Draft;
- (g) **provide Regulator's Draft to ASIC:** as soon as reasonably practicable but no later than 15 days before the First Court Date, provide the Regulator's Draft to:
 - (i) ASIC for its review for the purposes of section 411(2) of the Corporations Act; and
 - (ii) the Bidder,and liaise with ASIC as necessary during the Regulatory Review Period;
- (h) **keep the Bidder informed:** during the Regulatory Review Period:
 - (i) promptly provide to the Bidder and include in revised drafts of the Explanatory Memorandum any new information in relation to the Target Group not included in the Regulatory Draft which is required by the Corporations Act, Listing Rules or the Policy Statements to be included in the Explanatory Memorandum; and
 - (ii) promptly notify, and consult with, the Bidder in relation to any matters raised by ASIC in connection with the Explanatory Memorandum or the Scheme and any presentation or submission to, or at any proposed

meeting with, ASIC, and co-operate and consult with the Bidder to resolve any such matters;

- (i) **Court documents:** consult with the Bidder in relation to the content of the documents required for the purposes of the hearings on the First Court Date and the Second Court Date, including for the purposes of sections 411(1) and 411(4)(b) of the Corporations Act in relation to the Scheme (including originating process, affidavits, submissions and draft minutes of Court orders) and consider in good faith comments on, and suggested amendments to, those documents from the Bidder and its Representatives;
- (j) **approval of Explanatory Memorandum:** as soon as reasonably practicable after the end of the Regulatory Review Period (or, if earlier and applicable, after ASIC informs the Target that it does not propose to make submissions to the Court under section 411(2)(b)(ii) of the Corporations Act), procure that a meeting of the Target Board is convened to consider approving the Explanatory Memorandum for dispatch to Target Shareholders, subject to the approval of the Court;
- (k) **First Court Hearing:** provided the approval of the Target Board referred to in clause 4.2(j) is given, lodge all necessary documents with the Court and take all other reasonable steps to ensure that an application is heard by the Court for an order under section 411(1) of the Corporations Act directing the Target to convene the Scheme Meeting;
- (l) **registration of Explanatory Memorandum:** request ASIC to register the explanatory statement included in the Explanatory Memorandum in relation to the Scheme in accordance with section 412(6) of the Corporations Act;
- (m) **comply with Court orders:** comply with the orders of the Court including, if ordered, dispatch the Explanatory Memorandum to the Target Shareholders and convene and hold the Scheme Meeting;
- (n) **update Explanatory Memorandum:** if it becomes aware of information after dispatch of the Explanatory Memorandum that is material for disclosure to Target Shareholders in deciding whether to approve the Scheme or that is required to be disclosed to Target Shareholders under any applicable law (including in relation to the Discretionary Special Dividend that may be paid), inform Target Shareholders of the information in an appropriate and timely manner, in accordance with applicable law and after having applied to the Court for such orders in relation to that disclosure as are appropriate, after consulting with the Bidder as to the content and presentation of that information;
- (o) **proxy reports:** cause the Target Registry to report to it and the Bidder on the status of proxy forms received by the Target Registry for the Scheme Meeting, on the day 10 Business Days before the Scheme Meeting, on each subsequent Business Day up to the deadline for receipt of proxy forms and on the deadline itself, and provide such other information to the Bidder as it may receive concerning the voting intentions of Target Shareholders;
- (p) **section 411(17)(b) statement:** apply to ASIC for the production of a statement in writing pursuant to section 411(17)(b) of the Corporations Act stating that ASIC has no objection to the Scheme;
- (q) **Second Court Date:** if the resolution submitted to the Scheme Meeting in relation to the Scheme is passed by the majorities required under section 411(4)(a)(ii) of the Corporations Act, and provided all other Conditions (other than the Condition referred to in clause 3.1(g)) are satisfied or waived in accordance with this

agreement, apply to the Court for orders approving the Scheme under section 411(4)(b) of the Corporations Act;

- (r) **lodge copy of Court orders:** if the Court makes orders under section 411(4)(b) of the Corporations Act approving the Scheme, promptly lodge with ASIC an office copy of those orders in accordance with section 411(10) of the Corporations Act;
- (s) **registration:** if the Court makes orders under section 411(4)(b) of the Corporations Act approving the Scheme:
 - (i) use reasonable endeavours to procure that ASX suspends trading in Target Shares from the close of trading on the Effective Date;
 - (ii) close the Target Share Register as at the Record Date and determine the identity of the Scheme Shareholders and their entitlements to the Scheme Consideration in accordance with the Scheme;
 - (iii) provide to the Bidder all information about the Scheme Shareholders that the Bidder reasonably requires in order for the Bidder or Bidco to pay or procure the payment of the Scheme Consideration in accordance with the Scheme;
 - (iv) subject to the Bidder satisfying its obligations under clause 4.3(i), execute proper instruments of transfer of and effect and register the transfer of the Scheme Shares in the name of Bidco in accordance with the Scheme; and
 - (v) do all other things contemplated by or necessary to give effect to the Scheme and the orders of the Court approving the Scheme; and
- (t) **ASX listing:** use reasonable endeavours to maintain its admission to the official list of ASX and the quotation of Target Shares on ASX up to and including the Implementation Date or such later date as the Bidder reasonably requests.

4.3 Bidder's obligations

The Bidder must take all steps reasonably necessary to assist the Target to propose and implement the Scheme as soon as is reasonably practicable after the date of this agreement and so as to complete the transaction substantially in accordance with the Timetable, and in particular the Bidder must:

- (a) **Bidder Information:** prepare and provide to the Target the Bidder Information in a form appropriate for inclusion in the Explanatory Memorandum, consult with the Target in relation to the content and presentation of that information in the Explanatory Memorandum and consider in good faith comments on, and suggested amendments to, that information from the Target and its Representatives;
- (b) **assist Independent Expert:** subject to the Independent Expert entering into arrangements with the Target as to confidentiality in a form reasonably acceptable to the Bidder, provide all assistance and information reasonably requested by the Independent Expert to enable it to prepare its report for inclusion in the Explanatory Memorandum;
- (c) **review Explanatory Memorandum:** as soon as reasonably practicable after receipt from the Target of a draft of the Explanatory Memorandum in accordance with clause 4.2(c) provide the Target with any comments or suggested amendments to that draft in good faith;

- (d) **comments on Regulator's Draft:** as soon as reasonably practicable after receipt from the Target of the proposed Regulator's Draft provided in accordance with clause 4.2(f), either:
- (i) confirm in writing to the Target that the Bidder Information in the form and context in which it appears in the draft of the Explanatory Memorandum is not misleading or deceptive in any material respect and does not contain any material omission; or
 - (ii) provide to the Target the changes required to ensure that the Bidder Information in the form and context in which it appears in the Explanatory Memorandum is not misleading or deceptive in any material respect and does not contain any material omission;
- (e) **approval of Explanatory Memorandum:** as soon as reasonably practicable after the end of the Regulatory Review Period (or, if earlier and applicable, after ASIC informs the Target that it does not propose to make submissions to the Court under section 411(2)(b)(ii) of the Corporations Act), procure that a meeting of the Bidder Board is convened to consider approving those sections of the Explanatory Memorandum that relate to any Bidder Indemnified Parties appropriate for dispatch to Target Shareholders, subject to the approval of the Court;
- (f) **update Bidder Information:** if at any time after the dispatch of the Explanatory Memorandum it becomes aware:
- (i) of new information which, were it known at the time of dispatch, should have been included in any Bidder Information provided previously to the Target; or
 - (ii) that any part of the Bidder Information contained in the Explanatory Memorandum is misleading or deceptive in any material respect (whether by omission or otherwise),
- advise the Target so that the Target can determine whether supplementary disclosure to Target Shareholders is required;
- (g) **Deed Poll:** prior to or on the First Court Date, execute the Deed Poll and procure that Bidco executes the Deed Poll, and deliver the executed Deed Poll to the Target;
- (h) **representation:** procure that it is separately represented at the hearings on the First Court Date and the Second Court Date, at which hearings the Bidder will undertake (if requested by the Court) to do all such things and take all such steps within its power as may be reasonably necessary in order to ensure the fulfilment of its obligations under this agreement and the Scheme; and
- (i) **Scheme Consideration:** if the Scheme becomes Effective, provide the Scheme Consideration on the Implementation Date in accordance with the Scheme.

4.4 Target registry details

For the purposes of clause 4.2(s), the Target must give all necessary directions to the Target Registry to ensure that any information that the Bidder reasonably requests in relation to the Target Register, including any CHESS sub-register and any issuer-sponsored sub-register, is promptly provided to the Bidder and, where requested by the Bidder, the Target must procure that such information is made available in such electronic form as is reasonably requested by the Bidder.

4.5 Responsibility for information

The Bidder's obligations under clauses 4.3(c) and 4.3(d) relate only to the factual accuracy of Bidder Information and the Bidder takes no responsibility for information in the Explanatory Memorandum other than the Bidder Information. The Explanatory Memorandum must include a statement that:

- (a) the Bidder Indemnified Parties are not responsible for any information contained in the Explanatory Memorandum other than the Bidder Information; and
- (b) the Target Indemnified Parties are not responsible for any information contained in the Explanatory Memorandum other than the Target Information.

4.6 Disputes in relation to information

If there is a dispute between the parties in relation to the presentation or content of any part of the Explanatory Memorandum (including the Bidder Information), the parties must consult in good faith and use their reasonable endeavours to resolve the dispute within 2 Business Days of the dispute arising. If the parties fail to agree on the disputed presentation or content:

- (a) the Target will have the final decision on any information other than the Bidder Information, provided that such information complies with the Corporations Act, the Listing Rules and the Policy Statements; and
- (b) the Bidder will have the final decision on any Bidder Information, provided that the Bidder Information complies with the Corporations Act, the Listing Rules and the Policy Statements.

The parties must continue to perform their obligations under this agreement even where there is a dispute in relation to the presentation or content of any part of the Explanatory Memorandum.

4.7 Target indemnity

The Target acknowledges and agrees that it is responsible for the Target Information contained in the Explanatory Memorandum and must pay to the Bidder on demand an amount equal to all Indemnified Losses suffered or incurred by the Bidder Indemnified Parties arising out of or in connection with any failure of the Target Information to comply with the Corporations Act, the Listing Rules or the Policy Statements in connection with its inclusion in the Explanatory Memorandum.

4.8 Bidder indemnity

The Bidder acknowledges and agrees that it is responsible for the Bidder Information contained in the Explanatory Memorandum and must pay to the Target on demand an amount equal to all Indemnified Losses suffered or incurred by the Target Indemnified Parties arising out of or in connection with any failure of such Bidder Information to comply with the Corporations Act, the Listing Rules or the Policy Statements in connection with its inclusion in the Explanatory Memorandum.

4.9 Verification

The Target and the Bidder must undertake reasonable verification processes in relation to the Explanatory Memorandum and make the results of such processes available on request by the other party to comply with their respective obligations under clauses 4.2(j) and 4.3(e).

4.10 Reconstitution of Target Board

Subject to the Scheme becoming Effective, the Target must take all actions necessary to:

- (a) procure that all of the Target Directors and all of the directors of each Subsidiary of the Target (other than WBR) resign their office on the Implementation Date, and procure that each of those directors provides an acknowledgement in writing to the Bidder at the time of their resignation that they do not have any claim against any member of the Target Group including as to salary, fees or compensation for loss of office, other than any director who is an executive in which case the acknowledgement will not relate to normal on-going executive remuneration and entitlements as an executive; and
- (b) cause the appointment, on the Implementation Date, to the Target Board and to the board of each Subsidiary of the Target (other than WBR) of the persons nominated by the Bidder, subject to those persons having provided a consent to act as directors of the relevant companies.

4.11 Court refuses to make orders

If the Court refuses to make any orders pursuant to section 411(1) of the Corporations Act convening the Scheme Meeting or approving the Scheme, the Target must appeal the Court's decision to the fullest extent possible, except where the Bidder decides otherwise. The costs of any appeal (including legal fees) will be borne solely by the Bidder.

5. Discretionary Special Dividend

5.1 Funding

The parties acknowledge and agree that:

- (a) if a Discretionary Special Dividend is to be paid, then the Target may not have sufficient cash to pay that Discretionary Special Dividend (or any part of it) on the Discretionary Special Dividend Payment Date; and
- (b) despite anything else contained in this agreement, the Target may approach reputable third parties whose ordinary course of business is the provision of finance with a view to obtaining debt finance to enable the Target to pay the Discretionary Special Dividend, negotiate the debt finance and enter into arrangements with these third parties, provided that:
 - (i) the Target must not agree to borrow an amount greater than the aggregate amount of the Discretionary Special Dividend less available cash;
 - (ii) the Target must only draw down funds under these arrangements if the Discretionary Special Dividend is declared and the Scheme becomes Effective; and
 - (iii) the terms of the financing arrangements are on arm's length commercial terms.

5.2 Notification of taxation ruling

The Target must keep the Bidder reasonably informed of the status of the taxation ruling in relation to the Discretionary Special Dividend (to the extent known to the Target) and must notify the Bidder upon receiving a draft taxation ruling. The Target must:

- (a) notify the Bidder promptly after receiving the draft taxation ruling whether the ruling is acceptable to the Target; and
- (b) promptly provide to Target Shareholders such supplementary disclosure as is required by the Corporations Act, Listing Rules or the Policy Statements in relation to the declaration of the Discretionary Special Dividend and the effect of the payment of the Discretionary Special Dividend on the Scheme Consideration (as described in the definition of Scheme Consideration in clause 1.1).

6. Conduct of business and requests for access

6.1 Conduct of business

Subject to clause 6.2, from the date of this agreement up to and including the Implementation Date, the Target must procure that each member of the Target Group:

- (d) conducts the Business in the ordinary and usual course consistent with its usual business practices and in accordance with all applicable laws and regulations and does not make any significant change to the nature or scale of any activity comprised in the Business;
- (e) maintains, and complies with the terms of, all Authorisations necessary to own and operate its assets, occupy the Properties and conduct the Business;
- (f) preserves its relationships with its employees, customers, suppliers, landlords, licensors, licensees, joint venturers and others having business dealings with it;
- (g) protects and maintains each of its physical assets and maintains appropriate and adequate insurance in respect of each of those assets which are insurable;
- (h) keeps and maintains proper records of all its dealings and transactions relating to the Business;
- (i) pays all amounts owing to trade or other creditors of the member in accordance with applicable payment terms or the ordinary course of business; and
- (j) consults with the Bidder in relation to the preparation and approval of any budget or business plan relating to the Business.

6.2 Permitted activities

Nothing in clause 6.1 restricts any member of the Target Group from any activity which:

- (a) is required to be done by the Target under the Transaction Documents; or
- (b) is approved by the Bidder in writing (prior to the activity); or
- (c) is fairly disclosed in the Disclosure Letter or the Data Room.

6.3 Restricted conduct

The Target must procure that no Target Prescribed Occurrence occurs between the date of this agreement and the End Date.

6.4 Bidder access

For the purposes of assisting the Bidder and its Representatives to understand the Business and to prepare for the transition to the Bidder's normal working procedures, the Target must procure that from the date of this agreement up to and including the Implementation Date, the Bidder and its Representatives are given:

- (a) full access to all written material information related to the Target Group which was not provided to the Bidder prior to the date of this agreement and which is prepared or created after the date of this agreement (including all management accounts and any accompanying reports) except for any Strategic Document; and
- (b) reasonable access on reasonable notice to:
 - (i) the assets of the Business, Properties and Records; and
 - (ii) all officers and senior employees of any member of the Target Group and the Auditor during business hours,

provided that the Target is not obliged to comply with this clause 6.4(b) to the extent that giving such access would cause material disruption to or have a material adverse effect on, the day to day conduct of the Business or constitute a breach by the Target of any law or of the terms of any agreement to which it is party.

6.5 Discussions with customers and suppliers

As soon as practicable after executing this agreement, the Target must consult with the Bidder in good faith:

- (a) to discuss and agree a transition and integration plan; and
- (b) to discuss and agree the manner and form of communicating the Transaction to the Target's key suppliers and customers.

7. Recommendation and intentions

7.1 Target Directors recommendation

Each Target Director in office at the relevant time must, in the Target Announcement, the Explanatory Memorandum and in any other public statement made after the execution of this agreement and relating to the Scheme or the Transaction recommend that Target Shareholders vote in favour of all resolutions to be proposed at the Scheme Meeting in relation to the Scheme and approve the Scheme, without any qualification other than a qualification that the recommendation is subject to:

- (a) no Superior Proposal being made; and
- (b) the Independent Expert opining in its final report to the Target for inclusion in the Explanatory Memorandum that the Scheme is in the best interests of the Target Shareholders (unless the Independent Expert has already provided that opinion at the relevant time).

7.2 Maintenance of recommendation

Neither a Target Director nor the Target Board may make any public statement or take (or fail to take) any other action which qualifies their support for the Scheme and the Transaction, or

which contradicts, or subsequently change, withdraw or modify, the recommendation referred to in clause 7.1 except where:

- (a) the Target Board determines, after the Bidder's rights under clause 9.7 have been exhausted, that a Competing Proposal constitutes a Superior Proposal; or
- (b) the Independent Expert does not opine in its final report to the Target for inclusion in the Explanatory Memorandum that the Scheme is in the best interests of Target Shareholders or where the Independent Expert modifies its report to this effect.

7.3 Target Director intentions

Each Target Director must announce in the Target Announcement, the Explanatory Memorandum and in any other public statement made after the execution of this agreement and relating to the Scheme or the Transaction (but only for so long as the Independent Expert, after having opined that the Scheme is in the best interests of Target Shareholders, maintains that view) their intention to vote in favour of the Scheme any Target Shares in which they have a Relevant Interest and in respect of which they have power to vote, without any qualification other than a qualification that the intention is subject to:

- (a) no Superior Proposal being made; and
- (b) the Independent Expert opining in its final report to the Target for inclusion in the Explanatory Memorandum that the Scheme is in the best interests of the Target Shareholders (unless the Independent Expert has already provided that opinion at the relevant time).

7.4 Maintenance of intentions

No Target Director may make any public statement or take (or fail to take) any other action which qualifies their stated intention referred to in clause 7.3, except where:

- (a) the Target Board determines, after the Bidder's rights under clause 9.7 have been exhausted, that a Competing Proposal constitutes a Superior Proposal; or
- (b) the Independent Expert does not opine in its final report to the Target for inclusion in the Explanatory Memorandum that the Scheme is in the best interests of Target Shareholders or the Independent Expert later modifies that view adversely.

7.5 Target procurement

The Target must procure that each Target Director acts in accordance with their obligations under clauses 7.1, 7.2, 7.3 and 7.4.

8. Announcements

8.1 Announcement of transaction

Immediately after the execution of this agreement, the Target must issue the Target Announcement to the ASX.

8.2 Public announcements

Subject to clause 8.3, the Target must not make any public announcement or disclosure in relation to the Scheme or the Transaction (including any staff or client announcements or presentations) other than in a form approved by the Bidder in writing (acting reasonably).

8.3 Exception

The Target may make any announcement or disclosure in relation to the Scheme or the Transaction in a form that has not been approved by the Bidder if immediate disclosure is required by law.

8.4 Statements on termination

The parties must act in good faith and use all reasonable endeavours to issue agreed statements in relation to any termination of this agreement (and for this purpose, clause 8.2 applies to such statements).

9. Exclusivity

9.1 No shop

During the Exclusivity Period, the Target must not, and must ensure that its Representatives do not, except with the prior written consent of the Bidder solicit or invite any Competing Proposal or initiate discussions with any third party which may reasonably be expected to lead to a Competing Proposal.

9.2 No talk and no due diligence

Subject to clause 9.3, during the Exclusivity Period, the Target must not, and must ensure that its Representatives do not, except with the prior written consent of the Bidder:

- (a) participate in any negotiations in relation to a Competing Proposal or which may reasonably be expected to lead to a Competing Proposal;
- (b) provide any information to a third party for the purposes of enabling that party to make a Competing Proposal; or
- (c) communicate any intention to do any of the things listed in clauses 9.2(a) or 9.2(b).

9.3 Exceptions

Clause 9.2 does not apply if the Target Board, acting in good faith, after having obtained written advice from its legal and financial advisers, determines that failing to respond to the Competing Proposal would be likely to constitute a breach of what the Target Board considers to be its fiduciary or statutory duties.

9.4 No commitments

During the Exclusivity Period, the Target must not, and must ensure that its Representatives do not, except with the prior written consent of the Bidder, enter into any deed, arrangement or understanding in relation to a Competing Proposal which would have the effect of requiring the Target to abandon, or otherwise fail to proceed with, the possible transactions the subject of this agreement unless the Target Board, acting in good faith and in order to satisfy what the board considers to be its fiduciary or statutory duties, determines that the Competing Proposal is a Superior Proposal.

9.5 Notice of Competing Proposal

During the Exclusivity Period, the Target must promptly notify the Bidder if it or any of its Representatives receive any inquiry or proposal from any person (**Rival Bidder**) which may reasonably be expected to lead to a Competing Proposal but no other information is required to be communicated at this stage.

9.6 Target's response to a Competing Proposal

Without prejudice to the Bidder's rights under this clause, if at any time during the Exclusivity Period any Target Director wishes to approve or publicly recommend entry into any agreement, commitment, arrangement or understanding relating to a Competing Proposal, the Target must ensure that they do not do so:

- (a) unless the Competing Proposal is bona fide and is made in writing; and
- (b) until each of the following events has occurred:
 - (i) the Target Board has determined in good faith and acting reasonably after consultation with the Target's legal and financial advisers that:
 - A. failing to respond to the Competing Proposal would be likely to constitute a breach of its fiduciary or statutory duties; and
 - B. the Competing Proposal:
 - 1) is capable of being valued and completed; and
 - 2) would, if completed substantially in accordance with its terms, be more favourable to Target Shareholders than the Scheme,after taking into account all aspects of the Competing Proposal (including its terms and conditions and the identity of the Rival Bidder);
 - (ii) the Target has given the Bidder notice in writing of its intention to enter into an agreement, commitment, arrangement or understanding in relation to that Competing Proposal, subject to the Bidder's rights under clause 9.7, as well as, notwithstanding any other provision of this document, full details of all material terms of the Competing Proposal (including the identity of the Rival Bidder and details of the proposed consideration, conditions and break fee (if any));
 - (iii) the Bidder's rights under clause 9.7 have been exhausted; and
 - (iv) the Target Board has made the determination contemplated by clause 9.6(b)(i)B in respect of that Competing Proposal after the Bidder's rights under clause 9.7 have been exhausted and after evaluation of any Counterproposal.

9.7 Bidder's right of last offer

If the Target gives notice to the Bidder under clause 9.6(b)(ii), the Bidder will have the right, but not the obligation, at any time during the period of 5 Business Days following receipt of such notice, to make an offer to the Target that delivers a benefit to Target Shareholders that is at least equal to that of the Competing Proposal (**Counterproposal**), and if the Bidder makes a

Counterproposal, the Target and the Target Board must consider it in good faith and may communicate it to the Rival Bidder. For the purposes of this clause 9.7, each successive modification of a Rival Bidder's Competing Proposal will constitute a new Competing Proposal.

10. Break Fee

10.1 Background

This clause 10 has been agreed to in circumstances where:

- (a) the Bidder and the Target believe the implementation of the Scheme will provide benefits to the Target and the Target Shareholders;
- (b) the Target acknowledges that the Bidder Group has incurred, or will incur significant costs, including:
 - (i) external advisory costs and fees in planning and implementing the Scheme;
 - (ii) internal costs of a similar kind (including directors and management time costs, risk management costs and capital costs);
 - (iii) out of pocket expenses incurred by employees, advisers and agents of the Bidder Group in planning and implementing the Scheme;
 - (iv) commitment fees and other financing costs;
 - (v) opportunity costs in pursuing the Scheme or in not pursuing alternative acquisitions or strategic initiatives; and
 - (vi) costs associated with damage to the reputation of the Bidder Group associated with a failed transaction and the implications of that damage if the Bidder Group seeks to execute alternative acquisitions in the future,

directly or indirectly as a result of pursuing the Scheme, and will incur further costs if the Scheme is not successful; and
- (c) the Bidder requested that provision be made for the payments outlined in this clause, without which the Bidder would not have entered into this agreement.

The parties acknowledge and agree that the costs actually incurred by the Bidder Group as referred to in clause 10.1(b) will be of such a nature that they cannot be accurately ascertained, but that the Break Fee is a genuine and reasonable pre-estimate of the cost and loss that would actually be suffered by the Bidder if the Scheme is not implemented.

10.2 Payment of Break Fee

Subject to clauses 10.3, 10.5 and 10.7 and provided the Bidder is not in breach of a material obligation under this agreement, the Target must pay the Bidder the Break Fee if any of the following events occur:

- (a) both:
 - (i) at any time before the Scheme Meeting, any Target Director:

- A. fails to recommend as described in clause 7.1;
 - B. makes any public statement or takes any action that contradicts their recommendation; or
 - C. withdraws their recommendation; and
- (ii) the Condition in clause 3.1(f) is not satisfied, in each case other than as a result of:
- A. the Independent Expert opining in its final report for inclusion in the Explanatory Memorandum that the Scheme is not in the best interests of Target Shareholders or modifying its report to so opine;
 - B. without limiting clause 10.2(c), in circumstances where the Target gives the Bidder notice under clause 9.6(b)(ii) and Bidder's rights under clause 9.7 are exhausted but the Target Board decides in good faith that the Rival Bidder's Competing Proposal is a Superior Proposal; or
 - C. the Target validly terminating this agreement under clause 14.1(b), 14.1(d) or 14.3(b);
- (b) as a result of a failure by the Target to comply with any obligation under this agreement:
- (i) the Court fails (taking into account all appeals) to approve the Scheme for the purpose of section 411(1)(b) of the Corporations Act; or
 - (ii) the Effective Date of the Scheme has not occurred prior to the End Date;
- (c) at any time prior to the Scheme becoming Effective a Competing Proposal is announced and, within 12 months of such announcement, that Competing Proposal or a transaction substantially similar to that Competing Proposal:
- (i) results in a person obtaining Control of, or merging with, the Target;
 - (ii) is completed; or
 - (iii) in the case of a Competing Proposal that involves a takeover bid made under Chapter 6 of the Corporations Act, becomes free from any defeating conditions as that term is defined in the Corporations Act.

10.3 Payment conditions

- (a) Notwithstanding the occurrence of any event under clause 10.2, no amount is payable under clause 10.2 if the Scheme becomes Effective.
- (b) The Target can only ever be liable to pay the Break fee once.

10.4 Timing of payment

The Target must pay the Break Fee without set-off or withholding within 5 Business Days of receipt of a written demand for payment from the Bidder, which demand must set out the circumstances which give rise to the payment.

10.5 Notification

The Target must notify the Bidder in writing as soon as practicable after it becomes aware of the existence or occurrence of any event or circumstance specified in clause 10.2 and such notice must include full particulars of the relevant event or circumstance.

10.6 Compliance with law

If it is finally determined following the exhaustion of all reasonable avenues of appeal to the Takeovers Panel or a court that all or any part of the Break Fee (**Impugned Amount**):

- (a) is unenforceable or would, if paid, be unlawful for any reason; or
- (b) constitutes or would, if performed, constitute:
 - (i) a breach of the fiduciary or statutory duties of the Target Board; or
 - (ii) unacceptable circumstances within the meaning of the Corporations Act or a breach an order of the Takeovers Panel,

then:

- (c) the requirement to pay the Break Fee does not apply to the extent of the Impugned Amount (but the Target must comply with its obligations under this document with respect to payment of the balance of the Break Fee); and
- (d) if the Bidder has received the Impugned Amount, it must refund it within 5 Business Days of the final determination being made.

10.7 No application to court

No party must make, nor may it cause or permit to be made, any application to a court, arbitral tribunal or the Takeovers Panel for or in relation to a determination referred to in clause 10.6.

10.8 Submissions

If a Third Party makes any application to a court, arbitral tribunal or the Takeovers Panel for or in relation to a determination referred to in clause 10.6, then the parties must make submissions in the course of those proceedings supporting to the fullest extent reasonably practicable the position that no such determination should be made.

10.9 Other claims

Despite anything else contained in this agreement:

- (a) no Break Fee is payable if the Scheme becomes Effective, even if an event or circumstance specified in clause 10.2 exists or occurs;
- (b) the Target can only ever be liable to pay the Break Fee once;
- (c) if the Target becomes liable to pay the Break Fee under clause 10.2 and pays the Break Fee to the Bidder, the Target will have no further liability under this agreement; and
- (d) in any other circumstances the Target's maximum liability to the Bidder for any claims or liabilities under this agreement is \$750,000.

11. Reverse Break Fee

11.1 Background

This clause 11 has been agreed to in circumstances where:

- (a) the Bidder and the Target believe the implementation of the Scheme will provide benefits to the Target and the Target Shareholders;
- (b) the Bidder acknowledges that the Target has incurred, or will incur significant costs, including:
 - (i) external advisory costs and fees in planning and implementing the Scheme;
 - (ii) internal costs of a similar kind (including directors and management time costs, risk management costs and capital costs);
 - (iii) out of pocket expenses incurred by employees, advisers and agents of the Target in planning and implementing the Scheme;
 - (iv) commitment fees and other financing costs;
 - (v) opportunity costs in pursuing the Scheme or in not pursuing alternative proposal or strategic initiatives; and
 - (vi) costs associated with damage to the reputation of the Target associated with a failed transaction and the implications of that damage if the Target seeks to execute alternative transactions in the future, directly or indirectly as a result of pursuing the Scheme, and will incur further costs if the Scheme is not successful; and
- (c) the Target requested that provision be made for the payments outlined in this clause, without which the Target would not have entered into this agreement.

The parties acknowledge and agree that the costs actually incurred by the Target as referred to in clause 11.1(b) will be of such a nature that they cannot be accurately ascertained, but that the Break Fee is a genuine and reasonable pre-estimate of the cost and loss that would actually be suffered by the Target if the Scheme is not implemented.

11.2 Bidder to pay Reverse Break Fee

Subject to clauses 11.5 and 11.7, the Bidder must pay the Target the Reverse Break Fee if:

- (a) each Target Director:
 - (i) complies with clauses 7.1 and 7.3; and
 - (ii) maintains their recommendation (as referred to in clause 7.1 and their intention (as referred to in clause 7.3) up to and at the Scheme Meeting (and for the purposes of this clause, a Target Director will not be taken to have maintained their recommendation if they do not maintain their recommendation pursuant to a right under clause 7.2(a) or 7.2(b) and will not be taken to have maintained their intention if they do not maintain their intention pursuant to a right under clause 7.4(a) or 7.4(b));

- (b) the Target does not breach any material obligation under this agreement prior to the Scheme Meeting;
- (c) the Court makes an order under section 411(1) of the Corporations Act directing the Target to convene the Scheme Meeting;
- (d) each Target Director votes at the Scheme Meeting in favour of the Scheme any Target Shares in which they have a Relevant Interest and in respect of which they have power to vote; and
- (e) Target Shareholders do not approve the Scheme by the majorities required under section 411(4)(a)(ii) of the Corporations Act.

11.3 Payment conditions

- (a) Notwithstanding the occurrence of any event under clause 11.2, no amount is payable under clause 11.2 if the Scheme becomes Effective.
- (b) The Bidder can only ever be liable to pay the Reverse Break Fee once.

11.4 Timing of payment

The Bidder must pay the Reverse Break fee without set-off or withholding within 5 Business Days of receipt of a written demand from the Target, which demand must set out the circumstances which give rise to the payment.

11.5 Notification

The Bidder must notify the Target in writing as soon as practicable after it becomes aware of the existence or occurrence of any event or circumstance specified in clause 11.2 and such notice must include full particulars of the relevant event or circumstance.

11.6 Compliance with law

If it is finally determined following the exhaustion of all reasonable avenues of appeal to the Takeovers Panel or a court that all or any part of the Reverse Break Fee (**Reverse Break Fee Impugned Amount**):

- (a) is unenforceable or would, if paid, be unlawful for any reason; or
- (b) constitutes or would, if performed, constitute:
 - (i) a breach of the fiduciary or statutory duties of the Bidder Board; or
 - (ii) unacceptable circumstances within the meaning of the Corporations Act or a breach an order of the Takeovers Panel,

then:

- (c) the requirement to pay the Reverse Break Fee does not apply to the extent of the Reverse Break Fee Impugned Amount (but the Bidder must comply with its obligations under this document with respect to payment of the balance of the Reverse Break Fee); and
- (d) if the Target has received the Reverse Break Fee Impugned Amount, it must refund it within 5 Business Days of the final determination being made.

11.7 No application to court

No party must make, nor may it cause or permit to be made, any application to a court, arbitral tribunal or the Takeovers Panel for or in relation to a determination referred to in clause 11.6.

11.8 Submissions

If a Third Party makes any application to a court, arbitral tribunal or the Takeovers Panel for or in relation to a determination referred to in clause 11.6, then the parties must make submissions in the course of those proceedings supporting to the fullest extent reasonably practicable the position that no such determination should be made.

11.9 Other claims

Despite anything else contained in this agreement:

- (a) no Reverse Break Fee is payable if the Scheme becomes Effective, even if an event or circumstance specified in clause 11.2 exists or occurs;
- (b) the Bidder can only ever be liable to pay the Reverse Break Fee once;
- (c) if the Bidder becomes liable to pay the Reverse Break Fee under clause 11.2 and pays the Reverse Break Fee to the Target, the Bidder will have no further liability under this agreement; and
- (d) in any other circumstances the Bidder's maximum liability to the Target for any claims or liabilities under this agreement, other than a claim in relation to a failure by Bidco to pay the Scheme Consideration (or part of it) in accordance with the Scheme, is \$750,000.

11.10 Other costs

Except as otherwise provided under this agreement, each party must pay its own costs and expenses in connection with negotiating, preparing, executing and performing each Transaction Document.

12. Liability of directors and employees

12.1 No action by Target against Bidder officers and Representatives

The Target waives and must procure that each other member of the Target Group waives all rights and claims that they may have against the current or former officers, employees or Representatives of any member of the Bidder Group in relation to any matter arising directly or indirectly in connection with a Transaction Document, except to the extent that such rights or claims arise out of the fraud, wilful misconduct or wilful default of such person. The parties acknowledge and agree that:

- (a) the Bidder has sought and obtained this waiver as agent for and on behalf of the current and former officers, employees and Representatives of each member of the Bidder Group and holds the benefit of this clause 12.1 as trustee for them; and
- (b) the provisions of this clause 12.1 may be enforced by the Bidder on behalf of and for the benefit of the current and former officers, employees and Representatives of any member of the Bidder Group and those persons may plead this clause 12.1 in answer to any claim made by any member of the Target Group against them.

12.2 No action by Bidder against Target officers and Representatives

The Bidder waives and must procure that each other member of the Bidder Group waives all rights and claims that they may have against the current or former officers, employees or Representatives of any member of the Target Group in relation to any matter arising directly or indirectly in connection with a Transaction Document except to the extent that such rights or claims arise out of the fraud, wilful misconduct or wilful default of such person. The parties acknowledge and agree that:

- (a) the Target has sought and obtained this waiver as agent for and on behalf of the current and former officers, employees and Representatives of each member of the Target Group and holds the benefit of this clause 12.2 as trustee for them; and
- (b) the provisions of this clause 12.2 may be enforced by the Target on behalf of and for the benefit of the current and former officers, employees and Representatives of any member of the Target Group and those persons may plead this clause 12.2 in answer to any claim made by any member of the Bidder Group against them.

12.3 Target officers and directors

Subject to:

- (a) the Corporations Act;
- (b) the Scheme becoming Effective; and
- (c) the Transaction completing,

the Bidder must procure that no member of the Target Group will make a Claim (or any other claim or demand or suit) against any Target Director or any Officer of the Target Group as at the Implementation Date (prior to the operation of clause 4.10), except to the extent that any such Claim, claim, demand or suit arises out of the fraud, wilful misconduct or wilful default of such person.

13. Warranties and indemnities

13.1 Target warranties

The Target warrants to the Bidder that, notwithstanding anything contained in any confidentiality agreement between the Target and a member of the Bidder Group, each Target Warranty is true and correct.

13.2 Limitation of liability

The Target is not liable in respect of a Warranty Claim in relation to a Target Warranty if the fact, matter, circumstance or act giving rise to the Warranty Claim:

- (a) was required to be done by the Target under the Transaction Documents; or
- (b) was approved by the Bidder in writing (prior to the fact, matter, circumstance or act occurring); or
- (c) in relation to the Target Warranties numbered 3(a), 9 and 17-21 (inclusive), was fairly disclosed in the Disclosure Letter or the Data Room; or
- (d) in relation to the Target Warranties numbered 7(d), 7(e)(i) and 7(f), was fairly disclosed in the Disclosure Letter.

A Target Warranty will be considered true and correct for the purposes of the Condition in clause 3.1(h) and clause 14.1(b)(i) if the fact, matter, circumstance or act otherwise making the Target Warranty other than true and correct only occurs in the circumstances set out in paragraphs (a) to (d) above.

13.3 Target indemnity

Without limiting any other remedy available to the Bidder, the Target must pay to the Bidder on demand:

- (a) the amount of any Indemnified Loss suffered or incurred by any member of the Bidder Group arising out of or in connection with the breach of any Target Warranty; and
- (b) an amount equal to any additional Tax assessable on any member of the Bidder Group arising out of or in connection with the receipt by the Bidder of a payment under this clause 13.2 or otherwise in respect of the breach of a Target Warranty.

13.4 Bidder warranties

The Bidder warrants to the Target that each Bidder Warranty is true and correct.

13.5 Bidder indemnity

Without limiting any other remedy available to the Target, the Bidder must pay to the Target on demand:

- (a) the amount of any Indemnified Loss suffered or incurred by any member of the Target Group arising out of or in connection with the breach of any Bidder Warranty; and
- (b) an amount equal to any additional Tax assessable on any member of the Target Group arising out of or in connection with the receipt by the Target of a payment under this clause 13.5 or otherwise in respect of the breach of a Bidder Warranty.

13.6 Timing of warranties

Each Bidder Warranty and each Target Warranty is given:

- (a) as at the date of execution of this agreement; and
- (b) at 8.00 am on the Second Court Date,

unless the warranty is expressed to be given only at a particular time in which case it is given as at that time.

13.7 Notifications

If a party becomes aware of any fact, matter or circumstance which results in or is reasonably likely to result in a breach of any warranty given by it in this agreement, that party must promptly provide the other party notice describing that fact, matter or circumstance in reasonable detail (provided that nothing in this clause 13.7 obliges a party to make enquiries as to whether any such fact, matter or circumstance has arisen).

13.8 Warranties separate and survival

Each Target Warranty and each Bidder Warranty:

- (a) is to be treated as a separate warranty and is not limited by reference to any other warranty or any other provision of this agreement;
- (b) will remain in full force and effect after termination of this agreement and a Warranty Claim is not limited to breaches identified prior to termination.

14. Termination

14.1 Termination by either party

Either party may terminate this agreement by written notice to the other:

- (a) if the Scheme has not become Effective before the End Date (other than as a result of a breach by the terminating party of its obligations under this agreement);
- (b) at any time before 8.00 am on the Second Court Date if:
 - (i) the other party has materially breached any provision of this agreement (including any warranty);
 - (ii) the party wishing to terminate has given written notice to the other setting out the relevant circumstances of the breach and stating an intention to terminate the agreement; and
 - (iii) the relevant circumstances continue to exist for 5 Business Days (or any shorter period ending at 8.00 am on the Second Court Date) from the time the notice in clause 14.1(b)(ii) is given;
- (c) if the Scheme is not approved by the majorities required under section 411(4)(a)(ii) of the Corporations Act; or
- (d) if it is permitted to in accordance with clause 3.10.

14.2 Termination by Bidder

The Bidder may terminate this agreement by notice in writing to the Target at any time before 8.00 am on the Second Court Date if a Target Director, for any reason:

- (a) fails to recommend as described in clause 7.1;
- (b) makes any public statement or takes any action that contradicts their recommendation;
- (c) qualifies their support for the Scheme, or withdraws their recommendation; or
- (d) recommends against the Scheme.

14.3 Termination by Target

The Target may terminate this agreement by notice in writing to the Bidder:

- (a) at any time before 8.00 am on the Second Court Date if all of the Target Directors have changed, withdrawn or modified their recommendation (as described in clause 7.1) in a circumstance permitted by clause 7.2(a) or 7.2(b); or
- (b) at any time after 8.00 am on the Second Court Date and prior to the Implementation Date if the Bidder or Bidco suffers an Insolvency Event.

14.4 Written agreement

The parties may terminate this agreement by another written agreement between them.

14.5 Notice of breach

Each party must give notice to the other as soon as practicable after it becomes aware of a breach by it of this agreement (including a breach of any warranty).

14.6 Effect of termination

If this agreement is terminated then:

- (a) the provisions of this agreement shall cease to have effect except for the provisions of clauses, 1, 8.2, 8.3, 8.4, 10, 11, 12.1, 12.2, 13, this clause 14 and clauses 15 to 21 which will survive termination; and
- (b) each party retains the rights it has against the others in respect of any breach of this agreement occurring before termination.

15. Confidentiality

15.1 Confidentiality agreement

The Bidder acknowledges and agrees that, subject to clause 15.3, any confidentiality agreement between the Target and a member of the Bidder Group in effect as at the date of this agreement remains in full force and effect in accordance with its terms after the date of this agreement.

15.2 Bidder information

Subject to clause 15.3, the Target must, and must procure that its Representatives, use reasonable endeavours to keep confidential any confidential information relating to the Bidder Group which is provided to the Target or the Target's Representatives after the execution of this agreement.

15.3 Permitted disclosure

The parties agree that any confidential information disclosed to the Bidder under a confidentiality agreement between the Target and a member of the Bidder Group and confidential information relating to the Bidder (as described in clause 15.2) may be disclosed by the Bidder and the Target respectively where:

- (a) disclosure is reasonably required to enable a party to perform its obligations under this agreement or for the purpose of implementing the Scheme or the Transaction (including preparing the Explanatory Memorandum);
- (b) disclosure is required to be made by law or the rules of a recognised stock or securities exchange and the party whose obligation it is to keep matters confidential or procure that those matters are kept confidential:
 - (i) has not through any voluntary act or omission (other than the execution of this agreement) caused the disclosure obligation to arise; and
 - (ii) has before disclosure is made notified each other party of the requirement to disclose and, where the relevant law or rules permit and where practicable to do so, given each other party a reasonable

opportunity to comment on the requirement for and proposed contents of the proposed disclosure;

- (c) disclosure is made by way of a written announcement the terms of which have been agreed in writing by the parties prior to the making of the announcement;
- (d) disclosure is made to any professional adviser of a party who has been retained to advise in relation to the transactions contemplated by the Transaction Documents or to the auditor of a party;
- (e) the prior written approval of each party other than the party whose obligation it is to keep those matters confidential or procure that those matters are kept confidential has been obtained; or
- (f) the information has come into the public domain otherwise than as a result of a breach by any party of this agreement.

16. Payments

16.1 Direction

Any reference in this agreement to a payment to any party includes payment to another person at the direction of that party.

16.2 Method of payment

Payment of any amount due under this agreement by any party, other than payment of the Scheme Consideration by the Bidder, must be made by the paying party to the recipient party by:

- (a) electronic funds transfer to an account with an Australian bank specified by the recipient party to the paying party at least 3 Business Days before the due date for payment and confirmed by the paying party to the recipient party by notice; or
- (b) otherwise, unendorsed bank cheque drawn on an Australian bank or other immediately available funds.

16.3 Payment of Scheme Consideration

The Bidder or Bidco must pay or procure the payment of the Scheme Consideration in accordance with clause 4.2(a) of the Scheme.

16.4 No deduction

Any payment to be made under this agreement must be made free and clear of any deduction or withholding, except where that deduction or withholding is required or compelled by law.

16.5 Gross-up for withholdings

Any person who is required or compelled by law to make any deduction or withholding from any amount payable by one party to another under this agreement must, to the extent permitted by law, pay to the payee an additional amount sufficient to ensure that the amount received by the payee equals the full amount that would have been received by the payee, if that deduction or withholding had not been required or compelled.

16.6 Default interest

If any party (the **Payor**) fails to make a payment to any other party (the **Payee**) under this agreement on or before the due date for payment, then, without limiting any other remedy of the Payee, the Payor must pay to the Payee upon demand interest on the due amount calculated at the rate which is 2% above the Standard Rate, with interest to accrue from the due date to the day immediately before the actual date of payment, calculated daily on the basis of a 365 day year and capitalised monthly.

17. GST

17.1 Interpretation

The parties agree that:

- (a) except where the context suggests otherwise, terms used in this clause 17 have the meanings given to those terms by the GST Act (as amended from time to time);
- (b) any part of a supply that is treated as a separate supply for GST purposes (including attributing GST payable to tax periods) will be treated as a separate supply for the purposes of this clause 17; and
- (c) any consideration that is specified to be inclusive of GST must not be taken into account in calculating the GST payable in relation to a supply for the purpose of this clause 17.

17.2 Reimbursements and similar payments

Any payment or reimbursement required to be made under this agreement or any other Transaction Document that is calculated by reference to a cost, expense, or other amount paid or incurred will be limited to the total cost, expense or amount less the amount of any input tax credit to which an entity is entitled for the acquisition to which the cost, expense or amount relates.

17.3 GST payable

If GST is payable in relation to a supply made under or in connection with this agreement or any other Transaction Document then any party (**Recipient**) that is required to provide consideration to another party (**Supplier**) for that supply must pay an additional amount to the Supplier equal to the amount of that GST at the same time as other consideration is to be provided for that supply or, if later, within 5 Business Days of the Supplier providing a valid tax invoice to the Recipient.

17.4 Variation to GST payable

If the GST payable in relation to a supply made under or in connection with this agreement or any other Transaction Document varies from the additional amount paid by the Recipient under clause 17.3 then the Supplier will provide a corresponding refund or credit to, or will be entitled to receive the amount of that variation from, the Recipient. Any ruling, advice, document or other information received by the Recipient from the ATO in relation to any supply made under this agreement or any other Transaction Document will be conclusive as to the GST payable in relation to that supply. Any payment, credit or refund under this clause 17 is deemed to be a payment, credit or refund of the additional amount payable under clause 17.3.

18. Notices

18.1 How notice to be given

Each communication (including each notice, consent, approval, request and demand) under or in connection with this agreement:

- (a) may be given by personal service, post, or facsimile;
- (b) must be in writing;
- (c) must be addressed as follows (or as otherwise notified by that party to each other party from time to time):
 - (i) if to the Target:

Address: 26 - 40 Nina Link, Dandenong South, Victoria
3175, Australia

Fax number: +61 2 8768 7966

For the attention of: Company Secretary

with a copy to:

Greenwich Legal

Address: Level 11, 50 Margaret Street, Sydney NSW 2000,
Australia

Fax: +61 2 9290 2707

For the attention of: Managing Director
 - (ii) if to the Bidder:

Address: 18/F CC Wu Building, 302-8 Hennessy Road,
Wanchai, Hong Kong

Fax number: +852 2591 4078

For the attention of: Chief Executive Officer

with a copy to:

Clayton Utz

Address: Levels 19-35, 1 O'Connell Street, Sydney NSW
Australia

Fax: +61 2 8220 6700

For the attention of: John Elliott, Clayton Utz
- (d) must be signed by the party making it or (on that party's behalf) by the solicitor for, or any attorney, director, secretary or authorised agent of, that party; and

- (e) must be delivered by hand or posted by prepaid post to the address, sent by fax to the number, of the addressee, in accordance with clause 18.1(c).

18.2 When notice taken to be received

Each communication (including each notice, consent, approval, request and demand) under or in connection with this agreement is taken to be received by the addressee:

- (a) (in the case of prepaid post sent to an address in the same country) on the third day after the date of posting;
- (b) (in the case of prepaid post sent to an address in another country) on the fifth day after the date of posting by airmail;
- (c) (in the case of fax) at the time in the place to which it is sent equivalent to the time shown on the transmission confirmation report produced by the fax machine from which it was sent; and
- (d) (in the case of delivery by hand) on delivery,

but if the communication would otherwise be taken to be received on a day that is not a working day or after 5.00 pm, it is taken to be received at 9.00 am on the next working day ("working day" meaning a day that is not a Saturday, Sunday or public holiday and on which banks are open for business generally, in the place to which the communication is posted, sent or delivered).

19. Entire agreement

The Transaction Documents constitute the entire agreement between the parties in relation to their subject matter and supersede all previous agreements and understandings between the parties in relation to their subject matter.

20. General

20.1 Amendments

This agreement may only be varied by a document signed by or on behalf of each party.

20.2 Assignment

A party cannot assign or otherwise transfer any of its rights under this agreement without the prior consent of each other party.

20.3 Consents

Unless this agreement expressly provides otherwise, a consent under this agreement may be given or withheld in the absolute discretion of the party entitled to give the consent and to be effective must be given in writing.

20.4 Counterparts

This agreement may be executed in any number of counterparts and by the parties on separate counterparts. Each counterpart constitutes an original of this agreement, and all together constitute one agreement.

20.5 Further acts and documents

Each party must promptly do all further acts and execute and deliver all further documents (in form and content reasonably satisfactory to that party) required by law or reasonably requested by another party to give effect to this agreement.

20.6 No merger

A party's rights and obligations do not merge on completion of any transaction under this agreement.

20.7 Severance

If any provision or part of a provision of this agreement is held or found to be void, invalid or otherwise unenforceable (whether in respect of a particular party or generally), it will be deemed to be severed to the extent that it is void or to the extent of violability, invalidity or unenforceability, but the remainder of that provision will remain in full force and effect.

20.8 Stamp duties

The Bidder:

- (a) must pay all stamp duties and any related fines and penalties in respect of this agreement, the performance of this agreement and each transaction effected by or contemplated by or made under this agreement;
- (b) must pay to the Target on demand the amount of any Indemnified Loss suffered or incurred by the Target arising out of or in connection with any failure to comply with clause 20.8(a); and
- (c) is authorised to apply for and retain the proceeds of any refund due in respect of stamp duty paid under this clause.

20.9 Waivers

Without limiting any other provision of this agreement, the parties agree that:

- (a) failure to exercise or enforce, or a delay in exercising or enforcing, or the partial exercise or enforcement of, a right, power or remedy provided by law or under this agreement by a party does not preclude, or operate as a waiver of, the exercise or enforcement, or further exercise or enforcement, of that or any other right, power or remedy provided by law or under this agreement;
- (b) a waiver given by a party under this agreement is only effective and binding on that party if it is given or confirmed in writing by that party; and
- (c) no waiver of a breach of a term of this agreement operates as a waiver of another breach of that term or of a breach of any other term of this agreement.

21. Governing law, jurisdiction and service of process

21.1 Governing law

This agreement is governed by the law applying in New South Wales, Australia.

21.2 Jurisdiction

Each party irrevocably:

- (a) submits to the non exclusive jurisdiction of the courts of New South Wales, Commonwealth courts having jurisdiction in that state and the courts competent to determine appeals from those courts, with respect to any proceedings that may be brought at any time relating to this agreement; and
- (b) waives any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, if that venue falls within clause 21.2(a).

21.3 Service of process

The Bidder irrevocably appoints John Elliott of Clayton Utz as its agent in Australia for service of process.

Schedule 1 Timetable

Event	Date
Target lodges draft Explanatory Memorandum with ASIC	Monday, 27 September 2010
First Court Date	Tuesday, 19 October 2010
Dispatch of Explanatory Memorandum completed	Monday, 25 October 2010
Scheme Meeting	Thursday, 25 November 2010
Second Court Date	Thursday, 2 December 2010 (or as soon as possible after all of the Regulatory Conditions have been satisfied, if later)
Effective Date	On or within 1 Business Day after the Second Court Date (which is contemplated to be Friday, 3 December 2010)
Discretionary Special Dividend Record Date	4 Business Days after the Effective Date (which is contemplated to be Thursday, 9 December 2010)
Discretionary Special Dividend Payment Date	7 Business Days after the Effective Date (which is contemplated to be Tuesday, 14 December 2010)
Record Date	8 Business Days after the Effective Date (which is contemplated to be Wednesday, 15 December 2010)
Implementation Date	1 Business Day after the Record Date (which is contemplated to be Thursday, 16 December 2010)
End Date	20 March 2011

Schedule 2 Target Prescribed Occurrences

1. The Target converting all or any of its shares into a larger or smaller number of shares.
2. Any member of the Target Group (other than a direct or indirect wholly-owned subsidiary of the Target) resolving to reduce its capital in any way or re-classifying, combining, splitting, redeeming or re-purchasing directly or indirectly any of its shares.
3. Any member of the Target Group (other than a direct or indirect wholly-owned subsidiary of the Target):
 - (a) entering into a buy-back agreement; or
 - (b) resolving to approve the terms of a buy-back agreement under the Corporations Act.
4. Any member of the Target Group issuing shares, or granting an option over its shares or agreeing to make such an issue or grant such an option.
5. Any member of the Target Group issuing, or agreeing to issue, convertible notes or any other security convertible into shares.
6. Any member of the Target Group (other than a direct or indirect wholly-owned subsidiary of the Target) agreeing to pay, declaring or paying a dividend or any other form of distribution of profits or return of capital to its members (other than the Announced Dividend and the Discretionary Special Dividend).
7. Any member of the Target Group disposing, or agreeing to dispose, of the whole, or a substantial part, of its business or property.
8. Other than borrowing in connection with the Discretionary Special Dividend as contemplated by clause 5, any member of the Target Group creating or agreeing to create any mortgage, charge, lien or other encumbrance over, or declare itself the trustee of, the whole, or a substantial part, of its business or property otherwise than in the ordinary course of business.
9. An application being to court or a resolution being passed or an order is made for the winding up or dissolution of any member of the Target Group.
10. A receiver, receiver and manager, liquidator, provisional liquidator, administrator, trustee or similar officer being appointed in respect of any member of the Target Group or any of its assets.
11. Any member of the Target Group proposing or taking any steps to implement a scheme of arrangement or other compromise or arrangement with its creditors or any class of them.
12. The Target making or proposing to make any change to its constitution.
13. Any member of the Target Group:
 - (a) increasing the remuneration of, or paying any bonus, or otherwise varying the employment arrangements with, any of its directors or executives (other than in the ordinary course of business);
 - (b) accelerating the rights of any of its directors or executives to benefits of any kind; or
 - (c) other than in the ordinary course of business, paying or agreeing to pay a director or executive a termination payment (including a "golden parachute").

14. Any member of the Target Group incurring or entering into commitments to incur capital expenditure in excess of \$50,000 for any individual item (or in the case of a truck \$150,000), or \$500,000 in aggregate.
15. Any member of the Target Group incurring any indebtedness except for:
 - (a) borrowing under its existing bank facilities not exceeding \$1 million or indebtedness to trade creditors incurred in the ordinary course of business; or
 - (b) borrowing in connection with the Discretionary Special Dividend as contemplated by clause 5.
16. Any member of the Target Group exceeding any limitation on indebtedness imposed by, or breaching any other covenant given in favour of, any lender or other financier to that member.
17. Any member of the Target Group entering into any new bank facilities or other financial accommodation except:
 - (a) in the ordinary course of business; or
 - (b) for borrowing in connection with the Discretionary Special Dividend as contemplated by clause 5.
18. Any member of the Target Group entering into any Guarantee or indemnity on behalf of any person or providing security for the obligations of any person except in the ordinary course of business or for borrowing in connection with the Discretionary Special Dividend as contemplated by clause 5.
19. Any member of the Target Group, except in the ordinary course of business or as required by law or by existing terms of employment:
 - (a) engaging any person for employment whose annual remuneration (inclusive of superannuation) exceeds \$200,000;
 - (b) terminating the employment of any employee whose annual remuneration (inclusive of superannuation) exceeds \$200,000;
 - (c) increasing or making any representation about an increase in the annual remuneration of any employee or creating or increasing any entitlement for any employee to receive a bonus or other payment in addition to annual remuneration; or
 - (d) otherwise varying the terms of employment or engagement of any employee.
20. Any member of the Target Group paying any retirement allowance or superannuation benefit to any director or employee, except for any payment required by law or any payment made in the ordinary course of business. Any member of the Target Group making any material Tax election or settling or compromising any material liability relating to Tax unless that member has received an opinion from a Queen's Counsel or Senior Counsel with at least 15 years experience in Tax matters that the settlement or compromise is in the best interests of the member.
21. Any member of the Target Group authorising, or agreeing conditionally or otherwise to do, any of the things referred to in this Schedule 2.

Schedule 3 Target Warranties

1. The Target is a company properly incorporated and validly existing under the laws of the country or jurisdiction of its incorporation, has the legal right and full corporate power and capacity to execute, deliver and perform its obligations under this agreement and has obtained all necessary authorisations and consents and taken all other actions necessary to enable it to do so.
2. Each Transaction Document constitutes (or will when executed constitute) valid legal and binding obligations of the Target and is enforceable against the Target in accordance with their respective terms.
3. The execution, delivery and performance of each Transaction Document by the Target does not and will not result in a breach of or constitute a default under:
 - (a) any agreement to which the Target is party;
 - (b) any provision of the constitution of the Target; or
 - (c) any law or regulation or any order, judgment or determination of any court or Regulatory Authority by which the Target is bound.
4. None of the following events has occurred in relation to the Target:
 - (a) a receiver, receiver and manager, liquidator, provisional liquidator, administrator or trustee is appointed in respect of the Target or any of its assets or anyone else is appointed who (whether or not as agent for the Target) is in possession, or has control, of any of the Target's assets for the purpose of enforcing a charge;
 - (b) an event occurs that gives any person the right to seek an appointment referred to in paragraph (a);
 - (c) an application is made to court (unless it is frivolous or struck out or withdrawn within 3 Business Days) or a resolution is passed or an order is made for the winding up or dissolution of the Target;
 - (d) the Target proposes or takes any steps to implement a scheme of arrangement or other compromise or arrangement with its creditors or any class of them;
 - (e) the Target stops paying its debts when they become due or is declared or taken under any applicable law to be insolvent or the Target Board resolves that the Target is, or is likely to become at some future time, insolvent;
 - (f) any person in whose favour the Target has granted any Encumbrance becomes entitled to enforce any security under that Encumbrance or any floating charge under that Encumbrance crystallises; or
 - (g) any event under any law which is analogous to, or which has a substantially similar effect to, any of the events referred to in paragraphs (a) to (f).
5. The Target is not in breach of its continuous disclosure obligations under the Corporations Act or the Listing Rules and, as at the date of this agreement, the Target is not relying on the exception to Listing Rule 3.1 in Listing Rule 3.1A to withhold any information from ASX (other than the fact of its discussions with the Bidder in relation to the Transaction) that has not been disclosed to the Bidder or its Representatives.

6. All information relating to the Target Group that has been included in the Data Room up to the date of this agreement and that is contained in the Disclosure Letter is, to the best of the Target's knowledge, true and correct in all material respects and not misleading or deceptive in any material respect (whether by omission or otherwise).
7. As at the date of this agreement:
 - (a) there are 32,000,000 Target Shares on issue and those shares:
 - (i) have been validly issued and are fully paid up; and
 - (ii) constitute the whole of the issued share capital of the Target;
 - (b) no person has any right to require the issue of any shares or other securities in any member of the Target Group (or may, by virtue of an option vesting or otherwise, ever have that right) and no member of the Target Group has made any offer that may result in any person having such a right;
 - (c) all of the shares in the Subsidiaries of the Target are legally and beneficially owned by the Target and those shares have been validly issued and are fully paid up;
 - (d) there is no Encumbrance, option, right of pre-emption, right of first or last refusal or other third party right over any of the Target Shares (in each case, created by the Target) or any of the shares in the Subsidiaries of the Target;
 - (e) no member of the Target Group has in place any plans or schemes relating to the provision of:
 - (i) bonuses, incentives or commission, other than as paid to sales persons in the ordinary course of business; or
 - (ii) shares, options or other equity entitlements,to officers or employees of that member; and
 - (f) no member of the Target Group has given any commitment to any officer or employee of that member in relation to a change of ownership of the Target.
8. As at the time the Explanatory Memorandum or supplementary disclosure is dispatched to Target Shareholders (as applicable), the information contained in the Explanatory Memorandum or supplementary disclosure (other than the Bidder Information) is true and correct in all material respects, complies with all applicable laws, does not contain any statement which is materially misleading or deceptive and does not contain any material omission.
9. The Accounts:
 - (a) give a true and fair view of:
 - (i) the financial position and the assets and liabilities of the Target Group as at the respective balance dates of the Accounts; and
 - (ii) the income, expenses and operational results of the Target Group for the financial period ended on the respective balance dates of the Accounts; and
 - (b) have been prepared in compliance with the Corporations Act, the Accounting Standards and all other applicable laws and regulations;

- (c) have been prepared applying the same principles, policies, practices and procedures as were applied in preparing the audited accounts of the Target Group for the each of the 3 immediately preceding financial years;
 - (d) are not affected by any extraordinary, unusual or non-recurring item or any other factor that might make the financial position or operational results of the Target Group disclosed in the Accounts misleading or deceptive; and
 - (e) contain specific provisions adequate to cover, or full particulars in notes of, all liabilities of the Target Group as at the respective balance dates of the Accounts including all tax funding liabilities and other liabilities in respect of Tax and all contingent liabilities.
10. Professional Costs are not expected to exceed the amount set out in the Disclosure Letter.
11. Other than in relation to the estimated costs as set out in the Disclosure Letter, the Target has no arrangement with any corporate or financial adviser under which the Target has agreed to pay a fee to that adviser if the Scheme does not become Effective.
12. As at the date of this agreement, each Target Director in office as at the date of this agreement has informed the Target that they:
- (a) will take such action as necessary (including resigning from office and approving all necessary resolutions) to enable the Target to comply with its obligations under clause 4.10;
 - (b) will only act contrary to the advice referred to in paragraph (a) if they consider it reasonably necessary having regard to their fiduciary or statutory obligations at the time of acting (or failing to act);
 - (c) support the Scheme and the Transaction and will act in accordance with clauses 7.1 and 7.2; and
 - (d) intend to vote in favour of the Scheme any Target Shares in which they have a Relevant Interest and in respect of which they have power to vote, subject to the qualifications set out in clauses 7.3(a) and 7.3(b) and will act in accordance with clauses 7.3 and 7.4.
13. Prior to entering into this agreement the Target and the Target Board received external legal advice on this agreement including on the operation of clauses 9 and 10.
14. The Target and the Target Board consider clauses 9 and 10 to be fair and reasonable, and that it is appropriate to agree to the terms in clauses 9 and 10 in order to secure the benefits to the Target and Target Shareholders resulting from the Scheme.
15. As at the date of this agreement:
- (a) neither the Target nor any of its Representatives is in discussions or negotiations with any party which may reasonably be expected to lead to a Competing Proposal; and
 - (b) the Target has, and its Representatives have, ceased all prior discussions or negotiations with any party which may reasonably be expected to lead to a Competing Proposal.
16. Each director of each member of the Target Group in office as at the date of this agreement has informed the Target that they have no knowledge of any fact, matter or circumstance which

gives, or which could reasonably be expected to give, a member of the Target Group a right to bring any Claim against a director of any member of the Target Group.

17. WBR:
 - (a) has not carried on any business in the period of 6 years preceding the date of this agreement; and
 - (b) is a company which satisfies each of the matters set out in sections 601AA(2)(b) to (f) of the Corporations Act.
18. As at the date of this agreement to the best of the Target's knowledge, no member of the Target Group is in material breach of, or liable to make payment under any warranty or indemnity given in, any Material Contract.
19. As at the date of this agreement, all assets of a member of the Target Group of an insurable nature are insured with a reputable and duly authorised insurer against all risks usually or prudently insured against, and in amounts and on terms usually or prudently maintained by any person performing a business activity similar to any business activity performed by that member.
20. Each member of the Target Group has at all times up to the date of this agreement been adequately insured in relation to any business activity of that member by effecting insurance cover with a reputable and duly authorised insurer against all risks usually or prudently insured against, and in amounts and on terms usually or prudently maintained by any person performing a business activity similar to any business activity performed by that member.
21. As at the date of this agreement to the best of the Target's knowledge, all insurance policies relating to each member of the Target Group are in full force and effect, and each member of the Target Group has at all times promptly paid all premiums in relation to each insurance policy and has not done or omitted to be done any thing that might render any such policy void or unenforceable or otherwise limit, prejudice or reduce recovery under any such policy and no other circumstance exists that might render any such policy void or unenforceable or otherwise limit, prejudice or reduce recovery under any such policy.
22. As at the date of this agreement, all Tax that has become lawfully due and payable by each member of the Target Group has been paid on or before the due date for such payment.
23. As at the date of this agreement, each member of the Target Group has lodged by the due date all returns and other documents relating to Tax required to be lodged with any Tax Authority and:
 - (a) all information contained in those documents was complete and accurate in all material respects and not false, misleading or deceptive; and
 - (b) no dispute exists in relation to any of those documents and no circumstances exist which might give rise to such a dispute.
24. The Target's assets will exceed its liabilities immediately before the Discretionary Special Dividend is declared and the excess is sufficient for the payment of the Discretionary Special Dividend.
25. The payment of the Discretionary Special Dividend will be fair and reasonable to the Target's shareholders as a whole.
26. The payment of the Discretionary Special Dividend will not materially prejudice the Target's ability to pay its creditors.

27. The declaration and payment of the Discretionary Special Dividend will comply with the Corporations Act and the Target's constitution.

Schedule 4 Bidder Warranties

1. The Bidder is a company properly incorporated and validly existing under the laws of the country or jurisdiction of its incorporation, has the legal right and full corporate power and capacity to execute, deliver and perform its obligations under this agreement and has obtained all necessary authorisations and consents and taken all other actions necessary to enable it to do so.
2. Each Transaction Document constitutes (or will when executed constitute) valid legal and binding obligations of the Bidder and is enforceable against the Bidder in accordance with their respective terms.
3. The execution, delivery and performance of each Transaction Document by the Bidder does not and will not result in a breach of or constitute a default under:
 - (a) any agreement to which the Bidder is party;
 - (b) any provision of the articles of association of the Bidder; or
 - (c) any law or regulation or any order, judgment or determination of any court or Regulatory Authority by which the Bidder is bound.
4. None of the following events has occurred in relation to the Bidder or Bidco (as applicable):
 - (a) a receiver, receiver and manager, liquidator, provisional liquidator, administrator or trustee is appointed in respect of the Bidder or Bidco or any of its assets or anyone else is appointed who (whether or not as agent for the Bidder or Bidco) is in possession, or has control, of any of the Bidder's or Bidco's assets for the purpose of enforcing a charge;
 - (b) an event occurs that gives any person the right to seek an appointment referred to in paragraph (a);
 - (c) an application is made to court (unless it is frivolous or struck out or withdrawn within 3 Business Days) or a resolution is passed or an order is made for the winding up or dissolution of the Bidder or Bidco;
 - (d) the Bidder or Bidco proposes or takes any steps to implement a scheme of arrangement or other compromise or arrangement with its creditors or any class of them;
 - (e) the Bidder or Bidco stops paying its debts when they become due or is declared or taken under any applicable law to be insolvent or the Bidder Board or the board of Bidco resolves that the Bidder or Bidco is, or is likely to become at some future time, insolvent;
 - (f) any person in whose favour the Bidder or Bidco has granted any Encumbrance becomes entitled to enforce any security under that Encumbrance or any floating charge under that Encumbrance crystallises; or
 - (g) any event under any law which is analogous to, or which has a substantially similar effect to, any of the events referred to in paragraphs (a) to (f).
5. The Bidder Information provided to the Target for inclusion in the Explanatory Memorandum:
 - (a) at the time it was provided, was provided in good faith and on the understanding that each of the Target Indemnified Parties will rely on that information to prepare

the Explanatory Memorandum or supplementary disclosure to Target Shareholders (as applicable) and to propose and implement the Scheme;

- (b) at the time the Target commenced dispatch of the Explanatory Statement or supplementary disclosure to Target Shareholders (as applicable), is true and correct in all material respects, complies with all applicable laws, does not contain any statement which is materially misleading or deceptive and does not contain any material omission.
6. The Bidder has through the Bidder Group, funding in place to pay or procure the payment of the Scheme Consideration on the Implementation Date and to satisfy all of its other payment obligations under this agreement as and when such payment obligations arise.
 7. Bidco is a direct or indirect wholly-owned subsidiary of the Bidder.

Executed as an agreement.

**Executed by Wridgways Australia Limited
ABN 82 079 887 728** in accordance with
section 127 of the Corporations Act 2001 (Cth):

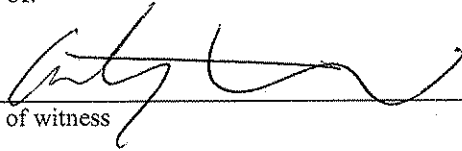
Signature of director

Signature of company secretary/director

Full name of director

Full name of company secretary/director

Signed for and on behalf of **Santa Fe
Holdings Ltd.** by its authorised signatory in the
presence of:



Signature of witness

COURTNEY JAMES DIXON
Full name of witness

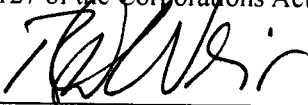


Signature of authorised signatory

LARS LYKKE JENSEN
Full name of authorised signatory

Executed as an agreement.

Executed by Wridgways Australia Limited
ABN 82 079 887 728 in accordance with
section 127 of the Corporations Act 2001 (Cth):



Signature of director

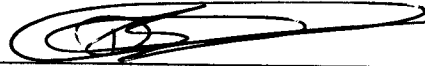
BRYAN DAVID WEIR

Full name of director

Signed for and on behalf of **Santa Fe**
Holdings Ltd. by its authorised signatory in the
presence of:

Signature of witness

Full name of witness



Signature of company secretary/director

DESMOND FRANCIS STICKLAND

Full name of company secretary/director

Signature of authorised signatory

Full name of authorised signatory

Annexure A Scheme

[Please see Annexure D of this Scheme Booklet]

Annexure B Deed Poll

[Please see Annexure C of this Scheme Booklet]

Annexure C Target Announcement

WRIDGWAYS RECOMMENDS CASH PROPOSAL FROM SANTA FE HOLDINGS LTD.

20 September 2010

Wridgways Australia Limited (**Wridgways**) is pleased to announce that it has today entered into a Scheme Implementation Agreement (**SIA**) with Santa Fe Holdings Ltd. (**Santa Fe**) for the proposed acquisition by an Australian wholly owned subsidiary of Santa Fe of all the issued shares in Wridgways. The acquisition is to be implemented via a scheme of arrangement (the **Scheme**) and is subject to certain conditions including Wridgways shareholder and Federal Court of Australia approval of the Scheme.

Under the proposed acquisition, Wridgways' shareholders will receive, for each Wridgways share held by them, \$2.80 less the cash amount of any discretionary special dividend paid by Wridgways prior to the acquisition (refer below). In addition, Wridgways' shareholders will still be entitled to receive the full benefit of the fully franked final dividend of \$0.11 per share which was announced on 19 August 2010 and which will be paid on 6 October 2010. The combination of the Scheme consideration of \$2.80 per share and the fully franked final dividend of \$0.11 per share provides Wridgways' shareholders with a total cash value of \$2.91 per share.

This values the total issued shares in Wridgways at \$93.12 million, or over 9.3 times reported FY2010 earnings before interest, tax, depreciation and amortisation (**EBITDA**) and 9.4 times forecast FY2011 EBITDA.

The Board of Wridgways unanimously recommends that Wridgways shareholders vote in favour of, and approve, the scheme, subject to no superior proposal emerging and subject also to the Independent Expert concluding that the Scheme is in the best interests of Wridgways' shareholders. Subject to those same qualifications, each Director of Wridgways intends to vote all the Wridgways shares in which they have a relevant interest, and in respect of which they have the power to vote, in favour of the Scheme.

The Board of Wridgways is considering the payment of a fully franked dividend in the range of \$0.40 - \$0.42 per share (the **Discretionary Special Dividend**) if the Scheme is approved by both Wridgways' shareholders and the Court and subject also to shareholders approving a financial assistance resolution relating to the payment of the Discretionary Special Dividend, if applicable. The Board will determine (in its absolute discretion) whether or not to declare and pay the Discretionary Special Dividend after taking into account Wridgways' retained earnings and its ability to fund the proposed dividend payment. The finally determined amount and other payment details concerning the Discretionary Special Dividend will, if applicable, be announced after the Court has approved the Scheme.

If the Discretionary Special Dividend is paid to Wridgways' shareholders, then the cash amount of that dividend will reduce the price per share paid by Santa Fe, but shareholders will still receive the same aggregate cash amount from the two sources (Scheme payment and Discretionary Special Dividend), being \$2.80 in cash per share.

Santa Fe is a leading relocation services company, operating primarily in the Asian region and providing a comprehensive range of the highest quality services, including immigration / visa, home / school search, language / cultural training, tenancy management, financial management and moving, to individual and corporate clients. Santa Fe currently operates through offices in 14 countries and 41 cities and territories across Asia and the Middle East, including China, Hong Kong, India, Indonesia, Japan,

Macau, Malaysia, the Philippines, Singapore, South Korea, Taiwan, Thailand, United Arab Emirates, and Vietnam.

It is the present intention of Santa Fe:

- not to make any major changes to the business of Wridgways nor to redeploy any of the fixed assets of Wridgways; and
- to continue the employment of Wridgways' present employees.

Wridgways believes that there are significant scale benefits to be derived by combining the business of Wridgways and Santa Fe. Australian companies invest increasing resources in Asia, including the frequent transfer of executives between Australia and Asian countries. Furthermore, Asian based companies and individuals similarly pursue opportunities in Australia. The combination of Wridgways' market leading position in Australia and Santa Fe's market leading position in Asia will provide a strong platform to service the growing need for moving and relocation services in a rapidly integrating region. In addition, Wridgways can benefit from Santa Fe's experience in international relocation services, its business and information technology systems and expertise and economies of scale.

The SIA is attached to this announcement and contains provisions such as conditions precedent (see clause 3), exclusivity arrangements (see clause 9) and break fees (see clauses 10 and 11).

Provided it is ordered by the Court, the company will hold the Scheme meeting on the same day as its Annual General Meeting (**AGM**) - 25 November 2010.

The Board of Wridgways has appointed BDO Securities (NSW-VIC) Pty Limited as the independent expert to advise whether the Scheme is in the best interests of Wridgways' shareholders.

The combination of:

1. the Scheme consideration of \$2.80 cash per share (less the cash amount of the Discretionary Special Dividend paid); plus
2. the Discretionary Special Dividend; plus
3. the proceeds of the fully franked final dividend of \$0.11 per share (payable on 6 October 2010),

together represent a combined cash value of \$2.91 per Wridgways share, which is a premium of:

- 13.2% to the volume weighted average ASX share price (VWAP) of \$2.57 in the 30 day period up to and including to 16 September 2010, being the last trading day prior this announcement;
- 13.2% to the VWAP of \$2.57 in the 60 day period up to and including to 16 September 2010; and
- 14.1% to the VWAP of \$2.55 in the 90 day period up to and including 16 September 2010.

The combined cash value of \$2.91 per Wridgways share also represents a valuation of over 9.3 times reported FY2010 EBITDA and 9.4 times forecast FY2011 EBITDA.

Wridgways has lodged an application with the Australian Taxation Office for a class ruling on the key tax issues that may impact on Wridgways' shareholders as a result of receiving the final dividend and the

Discretionary Special Dividend. The draft class ruling is expected to be made available by the end of October/early November. The payment of the Discretionary Special Dividend is not conditional upon the receipt of a favourable class ruling prior to the Scheme meeting, although it may be a factor taken into account by the Board prior to it deciding whether to declare any such dividend.

Wridgways Chairman Bryan Weir said: “The proposed acquisition is a positive outcome for Wridgways’ shareholders and enables them to realise cash for their Wridgways shares at a premium to recent trading levels. The transaction will enable Wridgways to more effectively compete in its global market as part of a leading international business.”

“With global expertise and scale, Santa Fe will provide Wridgways’ customers and employees with substantive benefits. Santa Fe is well positioned to support Wridgways for the next phase of its growth,” Mr. Wridgways said.

A Scheme booklet containing information related to the proposed acquisition, reasons for the Directors’ recommendation, and details of the Scheme meeting will be sent to Wridgways’ shareholders in late October.

For further information, please contact:

Des Stickland, Managing Director, Wridgways on +61 417 258 372; or

Graham York, Tullouch Corporate Finance Pty Ltd on +61 407 220 867.

Annexure C – Deed Poll

Deed poll dated October 19th 2010

By **Santa Fe Holdings Ltd.** of 18/F CC Wu Building, 302-8 Hennessy Road, Wanchai, Hong Kong (**Bidder**)

Santa Fe Moving & Relocation Services Australia Pty. Ltd. ACN 146 268 831 of 18/F CC Wu Building, 302-8 Hennessy Road, Wanchai, Hong Kong (**Bidco**)

In favour of **Each person registered as a holder of fully paid ordinary shares in the capital of Wridgways Australia Limited ABN 82 079 887 728** of 26 - 40 Nina Link, Dandenong South, Victoria 3175, Australia (**Target**) on issue as at the Record Date (**Scheme Shareholders**)

Background

- A. On 20 September 2010, the Target and the Bidder entered into a scheme implementation agreement (**Implementation Agreement**) to provide for the implementation of the Scheme.
- B. The effect of the Scheme will be to transfer all Scheme Shares to Bidco in exchange for the Scheme Consideration.
- A. The Bidder and Bidco enter into this deed poll to covenant in favour of the Scheme Shareholders to pay or procure the payment of the Scheme Consideration in accordance with the Scheme.

It is declared as follows

1. Definitions and interpretation

1.1 Definitions

In this deed poll:

- (a) **Scheme** means the proposed scheme of arrangement under Part 5.1 of the Corporations Act between the Target and its shareholders, as contemplated by the Implementation Agreement;
- (b) **Trustee** means the Target as trustee for the Scheme Shareholders; and

1.2 Terms defined in Implementation Agreement

Capitalised words and phrases defined in the Implementation Agreement and not in this deed poll have the same meaning in this deed poll as in the Implementation Agreement unless the context requires otherwise.

1.3 Interpretation

The provisions of clauses 1.3, 1.4 and 1.6 of the Implementation Agreement form part of this deed poll as if set out in full in this deed poll, except that references to "agreement" in those clauses will be taken to be references to "deed poll".

1.4 Nature of this deed poll

The Bidder and Bidco acknowledge that this deed poll may be relied on and enforced by any Scheme Shareholder in accordance with its terms even though the Scheme Shareholders are not a party to it.

2. Condition precedent

2.1 Condition

The obligations of the Bidder and Bidco under clause 3 are subject to the Scheme becoming Effective.

2.2 Termination

The obligations of the Bidder and Bidco under this deed poll will automatically terminate and this deed poll will be of no further force or effect if:

- (a) the Implementation Agreement is terminated in accordance with its terms; or
- (b) the Scheme is not Effective by the End Date,

unless the Bidder and the Target otherwise agree.

2.3 Consequences of termination

If this deed poll terminates under clause 2.2, in addition to and without prejudice to any other rights, powers or remedies available to it:

- (a) the Bidder and Bidco are released from their obligations to further perform this deed poll; and
- (b) each Scheme Shareholder retains the rights they have against the Bidder and Bidco in respect of any breach of this deed poll which occurs before it was terminated.

3. Payment of the Scheme Consideration

3.1 Undertaking

Subject to clause 2, the Bidder and Bidco undertake in favour of each Scheme Shareholder to pay or procure the payment of the Scheme Consideration to each Scheme Shareholder in accordance with the terms of the Scheme.

3.2 Satisfaction of obligations

- (a) The obligations of the Bidder and Bidco under clause 3.1 will be satisfied and fully discharged if, at or before 12.00 noon on the Implementation Date, the Bidder or Bidco:
 - (i) pays or procures the payment of an amount at least equal to the aggregate amount of the Scheme Consideration payable to all Scheme Shareholders under the Scheme by depositing in cleared funds in an Australian dollar denominated trust account operated by the Trustee, on trust for the Scheme Shareholders, except that any interest on the amount deposited (less bank fees and other changers) will be to the Bidder's account; and

- (ii) provides the Target with written confirmation of that payment.

4. Warranties

Each of the Bidder and Bidco warrants to each Scheme Shareholder that:

- (a) it is a company properly incorporated and validly existing under the laws of the country or jurisdiction of its incorporation;
- (b) it has the legal right and full corporate power and capacity to execute, deliver and perform its obligations under this deed poll and to carry out the transactions contemplated by this deed poll;
- (c) it has taken all necessary corporate action to authorise its entry into this deed poll and has taken or will take all necessary corporate action to authorise the performance of this deed poll and to carry out the transactions contemplated by this deed poll;
- (d) this deed poll constitutes (or will when executed constitute) valid legal and binding obligations of it and is enforceable against it in accordance with its terms;
- (e) it is solvent and no resolutions have been passed nor has any other step been taken or legal proceedings commenced or threatened against it for its winding up or dissolution or for the appointment of a liquidator, receiver, administrator or similar officer over any or all of its assets (or any event under any law which is analogous to, or which has a substantially similar effect to, any of the events referred to in this paragraph);
- (f) the execution, delivery and performance of this deed poll by it does not and will not result in a breach of or constitute a default under:
 - (i) any agreement to which it is party;
 - (ii) any provision of the constitution or articles of association (as applicable); or
 - (iii) any law or regulation or any order, judgment or determination of any court or Regulatory Authority by which it is bound.

5. Continuing obligations

This deed poll is irrevocable and remains in full force and effect until the Bidder and Bidco have fully performed their obligations under it or the earlier termination of this deed poll under clause 2.

6. General

6.1 Notices

Each communication (including each notice, consent, approval, request and demand) under or in connection with this deed poll:

- (a) must be in writing;
- (b) must be addressed as follows:

if to the Bidder or Bidco:

Attention: Managing Director
Address: 18/F CC Wu Building, 302-8 Hennessy Road, Wanchai,
Hong Kong
Fax number: +852 2591 4078

with a copy to:

Attention: John Elliott
Address: Clayton Utz
Levels 19-35
1 O'Connell Street
Sydney NSW 2000
Australia
Fax number: +61 2 8220 6700

- (c) must be signed by the party making it or (on that party's behalf) by the solicitor for, or any attorney, director, secretary or authorised agent of, that party;
- (d) must be delivered by hand or posted by prepaid post to the address, or sent by fax to the number, of the addressee, in accordance with clause 6.1(b); and
- (e) is taken to be received by the addressee:
 - (i) (in the case of prepaid post sent to an address in the same country) on the third day after the date of posting;
 - (ii) (in the case of prepaid post sent to an address in another country) on the fifth day after the date of posting by airmail;
 - (iii) (in the case of fax) at the time in the place to which it is sent equivalent to the time shown on the transmission confirmation report produced by the fax machine from which it was sent; and
 - (iv) (in the case of delivery by hand) on delivery,

but if the communication is taken to be received on a day that is not a working day or after 5.00 pm, it is taken to be received at 9.00 am on the next working day ("working day" meaning a day that is not a Saturday, Sunday or public holiday and on which banks are open for business generally, in the place to which the communication is posted, sent or delivered).

6.2 Governing law

This deed poll is governed by and must be construed according to the law applying in New South Wales.

6.3 Jurisdiction

The Bidder and Bidco irrevocably:

- (a) submits to the non-exclusive jurisdiction of the courts of New South Wales, Commonwealth courts having jurisdiction in that state and the courts competent to

determine appeals from those courts, with respect to any proceedings that may be brought at any time relating to this deed poll; and

- (b) waive any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, if that venue falls within clause 6.3(a).

6.4 Amendments

This deed poll may be amended only by another deed poll entered into by the Bidder and Bidco, and then only if the amendment is agreed to by the Target in writing and the Court indicates that the amendment would not preclude approval of the Scheme.

6.5 Waiver

- (a) Failure to exercise or enforce, or a delay in exercising or enforcing, or the partial exercise or enforcement of, a right, power or remedy provided by law or under this deed poll by a party does not preclude, or operate as a waiver of, the exercise or enforcement, or further exercise or enforcement, of that or any other right, power or remedy provided by law or under this deed poll.
- (b) A waiver or consent given by a party under this deed poll is only effective and binding on that party if it is given or confirmed in writing by that party.
- (c) No waiver of a breach of a term of this deed poll operates as a waiver of another breach of that term or of a breach of any other term of this deed poll.

6.6 Further acts and documents

The Bidder and Bidco must do all further acts and execute and deliver all further documents required by law or necessary to give effect to this deed poll and the transactions contemplated by it.

6.7 Assignment

The rights of each Scheme Shareholder under this deed poll are personal and cannot be assigned, novated or otherwise transferred without the prior written consent of the Bidder.

6.8 Stamp duties

The Bidder and Bidco must:

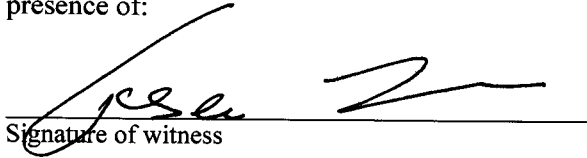
- (a) pay all stamp duties and any related fines and penalties in respect of this deed poll, the performance of this deed poll and each transaction effected by or made under this deed poll and is authorised to apply for and retain the proceeds of any refund due in respect of stamp duty paid under this clause; and
- (b) indemnify each Scheme Shareholder against any liability arising from a failure to comply with clause 6.8(a).

6.9 Cumulative rights

The rights, powers and remedies of the Bidder, Bidco and each Scheme Shareholder under this deed poll are cumulative and do not exclude any other rights, powers or remedies provided by the law independently of this deed poll.

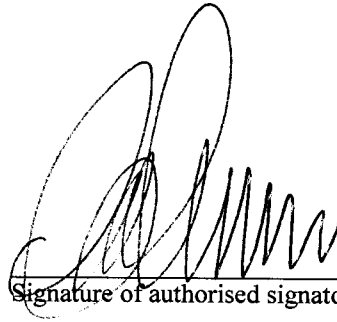
Executed and delivered as a deed poll.

Signed for and on behalf of **Santa Fe Holdings Ltd.** by its authorised signatory in the presence of:


Signature of witness

Torben Jespersen

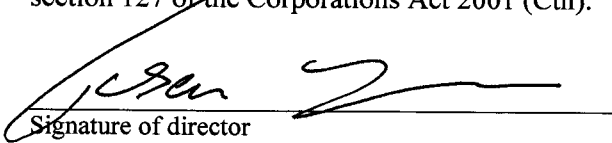
Full name of witness


Signature of authorised signatory

Lars Lykke Iversen

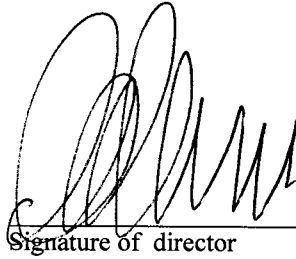
Full name of authorised signatory

Executed as a deed poll by **Santa Fe Moving & Relocation Services Australia Pty. Ltd. ACN 146 268 831** in accordance with section 127 of the Corporations Act 2001 (Cth):


Signature of director

Torben Jespersen

Full name of director


Signature of director

Lars Lykke Iversen

Full name of director

Annexure D – Scheme

Scheme of arrangement made under section 411 of the Corporations Act

Parties **Wridgways Australia Limited ABN 82 079 887 728** of 26 - 40 Nina Link,
Dandenong South, Victoria 3175, Australia (**Target**)

Each person registered as a holder of fully paid ordinary shares in the capital of the Target at the Record Date

Background

- A. The Target and the Bidder have entered into the Implementation Agreement, pursuant to which, amongst other things, the Target has agreed to propose this scheme to Target Shareholders and each of the Target and the Bidder have agreed to take certain steps to give effect to this scheme.
- B. If this scheme becomes Effective, the Bidder or Bidco will pay or procure the payment of the Scheme Consideration to the Scheme Shareholders in accordance with the provisions of this scheme, and Bidco will acquire all Scheme Shares.

Operative provisions

1. Definitions and interpretation

1.1 Definitions

In this scheme:

ASIC means the Australian Securities and Investments Commission.

ASX means, as the context requires, ASX Limited ACN 008 624 691 or the securities market conducted by ASX Limited.

Bidco means Santa Fe Moving & Relocation Services Australia Pty. Ltd. ACN 146 268 831.

Bidder means Santa Fe Holdings Ltd. of 18/F CC Wu Building, 302-8 Hennessy Road, Wanchai, Hong Kong.

Business Day means a business day as defined in the Listing Rules.

CHESS means the Clearing House Electronic Subregister System for the electronic transfer of Target Shares and other financial products operated by ASX Settlement and Transfer Corporation Pty Limited ABN 49 008 504 532.

Corporations Act means the Corporations Act 2001 (Cth).

Court means the Federal Court of Australia.

Deed Poll means the deed poll dated 19 October 2010 executed by the Bidder and Bidco in favour of the Scheme Shareholders.

Discretionary Special Dividend means a proposed fully franked dividend of no more than \$0.45 per Target Share, payable subject to approval of the Scheme by the Scheme Shareholders, that may be declared in the Target Directors' absolute discretion, by no later than the last date permitted by the Listing Rules to enable payment on the Discretionary Special Dividend Payment Date.

Discretionary Special Dividend Payment Date means the date which is 6 Business Days after the Effective Date.

Effective means the coming into effect, pursuant to section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to this scheme.

Effective Date means the date on which this scheme becomes Effective.

End Date means the date 6 months after the date of the Implementation Agreement.

Implementation Agreement means the scheme implementation agreement dated 20 September 2010 between the Target and the Bidder.

Implementation Date means the date which is 1 Business Day after the Record Date or such other date as the Target and the Bidder agree in writing.

Listing Rules means the official listing rules of ASX.

Marketable Parcel means a marketable parcel as defined by the market rules of ASX.

Record Date means 7.00 pm on the date which is 8 Business Days after the Effective Date or such other time and date (after the Effective Date) as the Bidder and the Target agree in writing.

Registered Address means, in relation to a Scheme Shareholder, the address of the Scheme Shareholder as recorded in the Target Share Register.

Scheme Consideration means \$2.80 cash for each Scheme Share less the cash amount of any Discretionary Special Dividend paid or to be paid.

Scheme Meeting means the meeting to be convened by the Court in relation to this scheme pursuant to section 411(1) of the Corporations Act.

Scheme Share means a Target Share on issue on the Record Date.

Scheme Shareholder means each person who holds Scheme Shares.

Second Court Date means the first day of hearing of an application made to the Court for an order pursuant to section 411(4)(b) of the Corporations Act approving this scheme or, if the hearing of such application is adjourned for any reason, means the first day of the adjourned hearing.

Target Director means a director of the Target.

Target Shareholder means a person who is registered in the Target Share Register as a holder of Target Shares.

Target Shares means fully paid ordinary shares in the capital of the Target.

Target Share Register means the register of members of the Target maintained by or on behalf of the Target in accordance with section 168(1) of the Corporations Act.

Target Share Registry means Computeshare Investor Services Pty Limited, of Yarra Falls, 452 Johnston Street, Abbotsford, Victoria 3067.

Trustee means the Target as trustee for the Scheme Shareholders.

1.2 Business days

If the day on which any act to be done under this scheme is a day other than a Business Day, that act must be done on or by the next Business Day except where this scheme expressly specifies otherwise.

1.3 Listing rules are law

A listing rule or business rule of a financial market or securities exchange will be regarded as a law for the purposes of this scheme.

1.4 General rules of interpretation

In this scheme headings are for convenience only and do not affect interpretation and, unless the contrary intention appears:

- (a) a word importing the singular includes the plural and vice versa, and a word of any gender includes the corresponding words of any other gender;
- (b) the word **including** or any other form of that word is not a word of limitation;
- (c) if a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;
- (d) a reference to a **person** includes an individual, the estate of an individual, a corporation, an authority, an association or parties in a joint venture, a partnership and a trust;
- (e) a reference to a party includes that party's executors, administrators, successors and permitted assigns, including persons taking by way of novation and, in the case of a trustee, includes any substituted or additional trustee;
- (f) a reference to a document (including this scheme) is to that document as varied, novated, ratified or replaced from time to time;
- (g) a reference to a party, clause, schedule, exhibit, attachment or annexure is a reference to a party, clause, schedule, exhibit, attachment or annexure to or of this scheme, and a reference to this scheme includes all schedules, exhibits, attachments and annexures to it;
- (h) a reference to an agency or body if that agency or body ceases to exist or is reconstituted, renamed or replaced or has its powers or function removed (**obsolete body**), means the agency or body which performs most closely the functions of the obsolete body;
- (i) a reference to a statute includes any regulations or other instruments made under it (**delegated legislation**) and a reference to a statute or delegated legislation or a provision of either includes consolidations, amendments, re-enactments and replacements;
- (j) a reference to **\$** or **dollar** is to Australian currency;
- (k) a reference to time is to Sydney, Australia time; and
- (l) this scheme must not be construed adversely to a party just because that party prepared it or caused it to be prepared.

2. Preliminary matters

2.1 Target

- (a) The Target is a public company limited by shares, incorporated in Australia and registered in the State of New South Wales.

- (b) The Target is admitted to the official list of ASX and Target Shares are officially quoted on ASX. As at 19 October 2010, 32,000,000 Target Shares were on issue which are officially quoted on the ASX.

2.2 Bidder

The Bidder is a company limited by shares, incorporated in Hong Kong.

2.3 Bidco

Bidco is a company incorporated in Victoria, Australia.

2.4 Implementation Agreement

The Bidder and the Target have agreed, by executing the Implementation Agreement, to implement this scheme.

2.5 Deed Poll

The Bidder and Bidco have agreed, by executing the Deed Poll, to perform their obligations under this scheme, including the obligation to pay, or procure the payment of, the Scheme Consideration to the Scheme Shareholders.

3. Conditions precedent

3.1 Conditions

- (a) This scheme is conditional on:
- (i) all the conditions precedent in clause 3.1 of the Implementation Agreement (other than the condition in clause 3.1(g)) having been satisfied or waived in accordance with the terms of the Implementation Agreement by 8.00 am on the Second Court Date;
 - (ii) the Implementation Agreement not having been terminated in accordance with its terms before 8.00 am on the Second Court Date;
 - (iii) approval of this scheme by the Court under section 411(4)(b) of the Corporations Act, including with such other conditions imposed by the Court under section 411(6) of the Corporations Act, as are acceptable to the Target and the Bidder, having been satisfied; and
 - (iv) the orders of the Court made under section 411(4)(b) (and if applicable, section 411(6)) of the Corporations Act approving this scheme coming into effect, under section 411(10) of the Corporations Act.
- (b) The satisfaction of the conditions referred to in clause 3.1(a) is a condition precedent to the operation of clauses 4.3 and 5.
- (c) This scheme will lapse and be of no further force or effect if the Effective Date does not occur on or before the End Date.

3.2 Certificate in relation to conditions

The Target and the Bidder must provide to the Court on the Second Court Date a certificate, or such other evidence as the Court requests, confirming whether or not as at 8.00 am on the Second Court Date all the conditions precedent in clause 3.1 of the Implementation Agreement (other than the condition in clause 3.1(g)) have been satisfied or waived.

3.3 Conclusive evidence

The giving of a certificate by the Target and the Bidder under clause 3.2 will be conclusive evidence of the matters referred to in the certificate.

4. Implementation

4.1 Lodgement of Court orders

The Target must lodge with ASIC an office copy of any Court orders under section 411(10) of the Corporations Act approving this scheme by 6.00 pm on the Business Day the Court approves this scheme or by 6.00 pm on the Business Day on which the Court orders are entered, whichever is later.

4.2 Consequences of this scheme becoming Effective

If this scheme becomes Effective:

- (a) it will override the constitution of the Target, to the extent of any inconsistency;
- (b) the Bidder or Bidco must (pursuant to their obligations under the Deed Poll) pay or procure the payment of the Scheme Consideration in the manner contemplated by clause 5.2(a);
- (c) subject to the payment of the Scheme Consideration under clause 4.2(b), all the Scheme Shares (together with all rights and entitlements attaching to the Scheme Shares) will be transferred to Bidco;
- (d) the Target will enter the name of Bidco in the Target Share Register in respect of all the Scheme Shares; and
- (e) the Target will pay the Scheme Consideration to each Scheme Shareholder in accordance with clause 5.2.

4.3 Transfer of Scheme Shares

On the Implementation Date:

- (a) subject to the payment of the Scheme Consideration in the manner contemplated by clause 5.2(a) and the Bidder or Bidco providing the Target with written confirmation of that payment, the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares at the Implementation Date, will be transferred to Bidco, without the need for any further act by any Scheme Shareholder (other than acts performed by the Target or its officers as agent and attorney of the Scheme Shareholders under clause 8.4 or otherwise) by:
 - (i) the Target delivering to Bidco a duly completed and executed share transfer form to transfer all the Scheme Shares to Bidco; and
 - (ii) Bidco duly executing such transfer form and delivering it to the Target for registration; and
- (b) immediately after receipt of the transfer form in accordance with clause 4.3(a)(ii), the Target must enter the name of Bidco in the Target Share Register in respect of the Scheme Shares.

5. Scheme Consideration

5.1 Amount of Scheme Consideration

Each Scheme Shareholder is entitled to receive the Scheme Consideration in respect of each Scheme Share held by that Scheme Shareholder.

5.2 Payment of Scheme Consideration

- (a) The Bidder or Bidco must (pursuant to their obligations under the Deed Poll) before 12.00 noon on the Implementation Date pay or procure payment of an amount at least equal to the aggregate amount of the Scheme Consideration payable to all Scheme Shareholders by depositing in cleared funds in an Australian dollar denominated trust account operated by the Trustee, to be held on trust for the Scheme Shareholders, except that any interest on the amount deposited (less bank fees and other charges) will be to the Bidder's account and provide the Target with written confirmation of that payment.
- (b) As soon as practicable following implementation of this scheme on the Implementation Date and subject to compliance with clause 5.2(a), the Trustee must pay from the account referred to in clause 5.2(a) to each Scheme Shareholder such amount of cash as is due to that Scheme Shareholder under clause 5.1 as Scheme Consideration in respect of all that Scheme Shareholder's Scheme Shares.
- (c) The amount referred to in clause 5.2(b) must be paid by the Trustee doing any of the following at its election:
 - (i) sending (or procuring the Target Share Registry to send) it to the Scheme Shareholder's Registered Address by cheque in Australian currency drawn out of the trust account established in accordance with clause 5.2(a); or
 - (ii) if the Scheme Shareholder has a payment direction (that is currently used for the payment of dividends) for a bank account with any Australian ADI (as defined in the Corporations Act) recorded in the Target Share Register as at the Record Date, depositing (or procuring the Target Share Registry to deposit) it into that account.
- (d) If there is any surplus in the amount held by the Trustee in the trust account, that surplus must be paid by the Trustee to the Bidder following the satisfaction of the Trustee's obligations under this clause.
- (e) If any amount is required under any Australian law or by any Australian government or any Australian governmental, semi-governmental or judicial entity or authority to be:
 - (i) withheld from an amount payable under clause 5.2(b) or 5.2(d) and paid to that entity or authority; or
 - (ii) retained by the Trustee out of an amount payable under clause 5.2(b) or 5.2(d),

its payment or retention by the Trustee (or the Target Share Registry) will constitute the full discharge of the Trustee's obligations under clauses 5.2(b), 5.2(c) or 5.2(d) with respect to the amount so paid or retained until, in the case of clause 5.2(e)(ii), it is no longer required to be retained.

5.3 Joint holders

In the case of Scheme Shares held in joint names, the Scheme Consideration must be paid by a cheque forwarded in the names of those joint holders or where the joint holders have nominated a bank account under clause 5.2(c)(ii), the amount must be deposited directly to the nominated bank account of the joint holders.

5.4 Unclaimed monies

- (a) The Target may cancel a cheque issued under clause 5.2(c)(i) if the cheque:
 - (i) is returned to the Target; or
 - (ii) has not been presented for payment within six months after the date on which the cheque was sent.
- (b) During the period of one year commencing on the Implementation Date, on request from a Scheme Shareholder, the Target must reissue a cheque that was previously cancelled under this clause.

6. Dealings in Target Shares

6.1 Dealings in Target Shares by Scheme Shareholders

To establish the identity of the Scheme Shareholders, dealings in Target Shares will only be recognised if:

- (a) in the case of dealings of the type to be effected using CHESSE, the transferee is registered in the Target Share Register as the holder of the relevant Target Shares on or before the Record Date; and
- (b) in all other cases, registrable transmission applications or transfers in respect of those dealings are received on or before the Scheme Record Date at the place where the Target Share Register is kept,

and the Target will not accept for registration, nor recognise for the purpose of establishing the persons who are Scheme Shareholders, any transfer or transmission application in respect of the Target Shares received after such times or received prior to such times but not in registrable form.

6.2 Target Share Register

- (a) The Target must maintain the Target Share Register in accordance with the provisions of this clause 6 until the Scheme Consideration has been paid to the Scheme Shareholders and the Target Share Register in this form will solely determine entitlements to the Scheme Consideration.
- (b) The Target must register registrable transmission applications or transfers of the kind referred to in clause 6.1(b) on the Record Date (provided that for the avoidance of doubt nothing in this clause 6.2(b) requires the Target to register a transfer that would result in a Target Shareholder holding a parcel of Target Shares that is less than a Marketable Parcel).
- (c) The Target will not accept for registration or recognise for any purpose any transmission application or transfer in respect of Target Shares received after the Record Date.

- (d) From the Record Date until the earlier of registration of Bidco in respect of all Scheme Shares under clause 4.3(b) or the End Date, no Target Shareholder may deal with Target Shares in any way except as set out in this scheme and any attempt to do so will have no effect.

6.3 Information to be made available to the Bidder

As soon as practicable after the Record Date and before 12 noon on the Implementation Date, the Target will ensure that details of the names, Registered Addresses and holdings of Target Shares for each Scheme Shareholder are available to the Bidder in the form the Bidder reasonably requires.

6.4 Effect of share certificates and holding statements

- (a) All statements of holding for Target Shares will cease to have effect from the Record Date as documents of title in respect of those shares (other than statements of holding in favour of Bidco and its successors in title).
- (b) As from the Record Date, each entry current at that date on the Target Share Register (other than entries in respect of Bidco and its successors in title) will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the Target Shares relating to that entry.

7. Quotation of Target Shares

- (a) The Target will apply to ASX to suspend trading on the ASX in Target Shares with effect from the close of trading on the Effective Date.
- (b) On a date after the Implementation Date to be determined by the Bidder, the Target will apply:
 - (i) for termination of the official quotation of Target Shares on ASX; and
 - (ii) to have itself removed from the official list of ASX.

8. General Scheme Provisions

8.1 Consent

If the Court proposes to approve this scheme subject to any alterations or conditions, the Target may, by its counsel or solicitors, consent on behalf of all persons concerned to those alterations or conditions to which the Bidder has consented in writing.

8.2 Agreement of Scheme Shareholders

Each Scheme Shareholder:

- (a) agrees to the transfer of their Target Shares in accordance with terms of this scheme and agrees to the variation, cancellation or modification of the rights attached to their Target Shares constituted by or resulting from this scheme; and
- (b) acknowledges that this scheme binds the Target and all Scheme Shareholders (including those who do not attend the Scheme Meeting or do not vote at that meeting or vote against this scheme at that Scheme Meeting).

8.3 Warranties by Scheme Shareholders

Each Scheme Shareholder is deemed to have warranted to the Target in its own right and for the benefit of Bidco that:

- (a) all their Scheme Shares (including any rights and entitlements attaching to those Scheme Shares) which are transferred to Bidco under this scheme will, on the date they are transferred to Bidco, be fully paid;
- (b) all their Scheme Shares (including any rights and entitlements attaching to those Scheme Shares) which are transferred to Bidco under this scheme will, on the date they are transferred to Bidco, be free from all mortgages, charges, liens, encumbrances and interests of third parties of any kind, whether legal or otherwise and restrictions on transfer of any kind; and
- (c) they have full power and capacity to sell and to transfer their Scheme Shares (including any rights and entitlements attaching to those Scheme Shares) to Bidco.

8.4 Authority given to the Target

Upon this scheme becoming Effective, each Scheme Shareholder without the need for any further act:

- (a) irrevocably appoints the Target and all of its directors, secretaries and officers (jointly and severally) as its attorney and agent for the purpose of:
 - (i) enforcing the Deed Poll against the Bidder or Bidco (as applicable); and
 - (ii) executing any document necessary to give effect to this scheme including, a proper instrument of transfer of its Scheme Shares for the purposes of section 1071B of the Corporations Act which may be a master transfer of all the Scheme Shares,and the Target accepts such appointment; and
- (b) will be deemed to have authorised the Target to do and execute all acts, matters, things and documents on the part of each Scheme Shareholder necessary to implement this scheme, including executing, as agent and attorney of each Scheme Shareholder, a share transfer or transfers in relation to Scheme Shares as contemplated by clause 8.4(a).

8.5 Appointment of sole proxy

Upon the Scheme Consideration being provided to the Scheme Shareholders and until the Target registers Bidco as the holder of all Target Shares in the Target Share Register, each Scheme Shareholder:

- (a) is deemed to have irrevocably appointed Bidco as its attorney and agent (and directed Bidco in such capacity) to appoint any director, officer, secretary or agent nominated by Bidco as its sole proxy and, where applicable, corporate representative to attend shareholders' meetings of the Target, exercise the votes attaching to the Scheme Shares registered in their name and sign any Target Shareholders' resolutions, whether in person, by proxy or by corporate representative;
- (b) undertakes not to otherwise attend or vote at any of those meetings or sign or vote on any resolutions (whether in person, by proxy or by corporate representative) other than as pursuant to clause 8.5(a);

- (c) must take all other actions in the capacity of a registered holder of Scheme Shares as Bidco reasonably directs; and
- (d) acknowledges and agrees that in exercising the powers referred to in clause 8.5(a), Bidco and any director, officer, secretary or agent nominated by Bidco under clause 8.5(a) may act in the best interests of Bidco as the intended registered holder of the Scheme Shares.

8.6 Definition of "sending"

For the purposes of clause 5.2(c)(i), the expression "sending" means, in relation to each Scheme Shareholder:

- (a) sending by ordinary pre-paid post or courier to the Registered Address of that Scheme Shareholder as at the Record Date; or
- (b) delivery to the Registered Address of that Scheme Shareholder as at the Record Date by any other means at no cost to the recipient.

9. General

9.1 Stamp duties

The Bidder or Bidco must pursuant to their obligations under the Deed Poll:

- (a) pay all stamp duties and any related fines and penalties in respect of the transfer of the Scheme Shares to Bidco and is authorised to apply for and retain the proceeds of any refund due in respect of stamp duty paid under this clause; and
- (b) indemnify each Scheme Shareholder against any liability from a failure to comply with clause 9.1(a).

9.2 Notices

- (a) If a notice, transfer, transmission application, direction or other communication referred to in this scheme is sent by post to the Target, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at the place where the Target's Share Registry is kept.
- (b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such a notice by any Target Shareholder may not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

9.3 Further acts and documents

The Target must do all further acts and execute and deliver all further documents required by law or necessary to give effect to this scheme and the transactions contemplated by it.

10. Governing law and jurisdiction

10.1 Governing law

This scheme is governed by the law applying in New South Wales.

10.2 Jurisdiction

Each party irrevocably:

- (a) submits to the non-exclusive jurisdiction of the courts of New South Wales, Commonwealth courts having jurisdiction in that state and the courts competent to determine appeals from those courts, with respect to any proceedings that may be brought at any time relating to this scheme; and
- (b) waives any objection it may have now or in the future to the venue of any proceedings, and any claim it may have now or in the future that any proceedings have been brought in an inconvenient forum, if that venue falls within clause 10.2(a).

Annexure E – Notice of Scheme Meeting

Notice of Court ordered meeting of Wridgways Shareholders

By an Order of the Federal Court of Australia made on 19 October 2010 pursuant to section 411(1) of the Corporations Act, a meeting of Wridgways Shareholders will be held at PricewaterhouseCoopers, Level 10, Darling Park Tower 2, 201 Sussex Street, Sydney on 25 November 2010 commencing at 11.30am (Sydney time).

The Court has also directed that Mr Bryan D Weir act as Chairman of the meeting, or failing him, Mr Peter AS Jones, and has directed the Chairman to report the result of the meeting to the Court.

Terms used in this notice have the same meaning as set out in the defined terms in Section 9 of the document of which this notice forms part.

Purpose of the meeting

The purpose of the meeting is to consider and, if thought fit, to agree a scheme of arrangement proposed to be made between Wridgways and Wridgways Shareholders.

To enable you to make an informed voting decision, further information on the Scheme is set out in the document of which the notice convening the meeting forms part.

Business of the meeting

To consider and, if thought fit, pass the following resolution:

“That pursuant to, and in accordance with, section 411 of the Corporations Act, the scheme of arrangement proposed between the company and the holders of its ordinary shares as contained in and more particularly described in the document of which the notice convening this meeting forms part is approved (with or without modification as approved by the Federal Court of Australia).”

Required voting majorities

In accordance with section 411(4)(b) of the Corporations Act, the resolution to approve the Scheme must be approved by a majority in number of Wridgways Shareholders present and voting at the Scheme Meeting (in person, by attorney, by proxy or, in the case of corporate Wridgways Shareholders, by corporate representative) who must together hold at least 75% of the votes cast on the resolution.

The vote will be conducted by poll.

Voting

How to vote

Wridgways Shareholders can vote in either of two ways:

- by attending the meeting and voting in person or by attorney or, in the case of corporate Wridgways Shareholders, by corporate representative; or
- by appointing a proxy to attend and vote on their behalf, using the Scheme Proxy Form.

Voting in person

Wridgways Shareholders are asked to arrive at the venue 30 minutes prior to the time designated for the Scheme Meeting to allow for registration for the meeting. A representative of a company attending the

meeting must present satisfactory evidence of his or her appointment to attend on its behalf, unless that evidence has been previously lodged with the Wridgways Share Registry.

Voting by proxy or attorney

- A Wridgways Shareholder entitled to attend and vote is entitled to appoint a proxy to attend and vote for the Wridgways Shareholder at the Scheme Meeting.
- A Wridgways Shareholder entitled to attend and cast two or more votes on a resolution may appoint two proxies. A proxy need not be a Wridgways Shareholder.
- If a Wridgways Shareholder appoints two proxies, neither proxy is entitled to vote on a show of hands.
- Each proxy will have the right to vote on a poll and also to speak at the Scheme Meeting.
- The appointment of a proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed, and if the appointment does not specify the proportion or number of the Wridgways Shareholder's votes each proxy may exercise, each proxy may exercise half of the votes (disregarding fractions).
- If a proxy is not directed how to vote on an item of business, the proxy may vote or abstain from voting, as that person thinks fit.
- If a proxy is instructed to abstain from voting on an item of business, that person is directed not to vote on the Wridgways Shareholder's behalf on a poll, and the Wridgways Shares the subject of the proxy appointment will not be counted in computing the required majority.
- Wridgways Shareholders who return their Scheme Proxy Form with a direction how to vote but do not nominate the identity of their proxy will be taken to have appointed the chairman of the meeting as their proxy to vote on their behalf. If a Scheme Proxy Form is returned but the nominated proxy does not attend the meeting, the chairman of the meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the chairman of the Scheme Meeting, the company secretary of Wridgways or any Director which do not contain a direction will be used to support the resolution to approve the Scheme.
- A vote given in accordance with the terms of a proxy or the appointment of an attorney is valid despite the revocation of the proxy or the attorney, unless notice in writing of the revocation has been received by Wridgways before the start of the Scheme Meeting.
- To be effective, a Scheme Proxy Form (and the original or certified copy of any power of attorney or other authority under which that Scheme Proxy Form was signed) must be:
 - sent by mail to the Wridgways Share Registry (using the reply paid envelope included with this document), addressed to Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria 3001;
 - faxed to (03) 8768 7311 or 1800 783 447 from within Australia, or +61 3 8768 7311 or +61 3 9473 2555 from overseas;
 - lodged online at www.investorvote.com.au; or
 - sent to the Wridgways registered office at 26-40 Nina Link, Dandenong South, Victoria 3175,

so that they are received by no later than 11.30am on 23 November 2010. A Scheme Proxy Form received after this time will be invalid.

- If you appoint an attorney to attend and vote at the Scheme Meeting, that authority (or a certified copy) must be:
 - sent by mail to the Wridgways Share Registry (using the reply paid envelope included with this document), addressed to Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria 3001;
 - faxed to (03) 8768 7311 or 1800 783 447 from within Australia, or +61 3 8768 7311 or +61 3 9473 2555 from overseas;
 - lodged online at www.investorvote.com.au; or
 - sent to Wridgways' registered office at 26-40 Nina Link, Dandenong South, Victoria 3175,

so that it is received by no later than 11.30am on 23 November 2010.

- A Scheme Proxy Form must be signed by the Wridgways Shareholder or the Wridgways Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act.

Jointly held Wridgways Shares

If the Wridgways Shares are jointly held, only one of the joint Wridgways Shareholders is entitled to vote. If more than one Wridgways Shareholder votes in respect of jointly held Wridgways Shares, only the vote of the Wridgways Shareholder whose name appears first in the Register will be counted.

Wridgways Shareholders who are entitled to vote

Wridgways has determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the time for determining eligibility to vote at the Scheme Meeting is 7.00pm (Sydney time) on 23 November 2010. Only those Wridgways Shareholders recorded on the Register at that time will be entitled to attend and vote at the Scheme Meeting.

Court approval

In accordance with section 411(4)(b) of the Corporations Act, in order to become effective the Scheme (with or without modification) must be approved by an order of the Court. If the resolution put to this meeting is passed by the requisite majorities and the other conditions precedent to the Scheme are satisfied or waived, Wridgways intends to apply to the Court on 2 December 2010 for approval of the Scheme.

Dated 19 October 2010

By order of the Board

Brian C Clarke

Company Secretary

Annexure F – Notice of Annual General Meeting

Notice of Annual General Meeting

Notice is given that the Annual General Meeting for 2010 (**AGM**) of Wridgways Australia Limited (the **Company**) will be held at PricewaterhouseCoopers, Level 10, Darling Park Tower 2, 201 Sussex St, Sydney on the later of 12 noon and the conclusion or adjournment of the Scheme Meeting, on Thursday, 25 November 2010.

The attached Explanatory Memorandum should be read in conjunction with the Notice of AGM.

ORDINARY BUSINESS:

1. Receipt of Annual Financial Report

To receive and consider the Annual Financial Report, the Directors' Report and the Auditor's Report of the Company and its controlled entities for the financial year ended 30 June 2010.

2. Adoption of Remuneration Report

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

That the Remuneration Report (which forms part of the Directors' Report) in respect of the year ended 30 June 2010 be adopted.

Note: This is an advisory resolution and does not bind the Directors or the Company.

3. Re-election of Mr Brian C Clarke as a Director

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

That Mr Brian C Clarke who retires from office by rotation in accordance with article 74 of the Company's Constitution, be re-elected as a Director of the Company.

4. Re-Election of Mr Andrew L Horsley as a Director

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

That Mr Andrew L Horsley who was appointed as a Director on 1 January 2010 and retires from office in accordance with article 72 of the Company's Constitution, be re-elected as a Director of the Company.

SPECIAL BUSINESS:

5. Financial Assistance

To consider and, if thought fit, to pass the following resolution as a special resolution:

That, subject to the Scheme being approved under section 411 of the Corporations Act 2001, and for the purposes of sections 260A and 260B(1) of the Corporations Act 2001 and for all other purposes, approval is given for the Company to financially assist Santa Fe Moving & Relocation Services Australia Pty. Ltd. to acquire all of the Company's shares under the

Scheme as described in the Explanatory Memorandum, including (without limitation) that the Company may:

- (a) pay the Discretionary Special Dividend;*
- (b) apply the Company's available surplus cash towards the payment of that dividend;*
- (c) prior to the Discretionary Special Dividend payment date of 14 December 2010, enter into a loan facility agreement, of up to \$14.4 million on reasonable commercial terms (including an interest rate based on current market rates, a term of at least 12 months and the provision of security in accordance with market practice), from an authorised deposit taking institution acceptable to the Directors, which will be applied towards the balance of the payment of that dividend, any related transaction document; and*
- (d) enter into additional documents, and do all additional things, as may be necessary or desirable for the purposes of implementing the financial assistance referred to above.*

The background to, and reasons for this resolution are more fully set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting. Shareholders should read the Explanatory Memorandum in full and carefully consider its contents.

VOTING EXCLUSION STATEMENT

The Company will disregard any votes cast in favour of the resolution in Item 5 by Santa Fe Moving & Relocation Services Australia Pty. Ltd. and any associate of Santa Fe Moving & Relocation Services Australia Pty. Ltd. including, Santa Fe Holdings Ltd.

By order of the Board

Brian C Clarke
Company Secretary

19 October 2010

IMPORTANT NOTES

Financial Statements and Reports

The Wridgways 2010 Annual Report which accompanies this Notice of Annual General Meeting contains the Annual Financial Report, the Directors' Report and the Auditor's Report of the Company and its controlled entities for the financial year ended 30 June 2010. Alternatively, these documents are available for inspection by shareholders:

- at the Company's Registered Office (at 26-40 Nina Link, Dandenong South, Vic 3175); and
- at the shareholder registration desk PricewaterhouseCoopers, Level 10, Darling Park Tower 2, 201 Sussex St, Sydney on Thursday, 25 November 2010.

How to vote in person

If you are entitled to vote and wish to do so in person, you should attend the Annual General Meeting. Please bring your blank AGM Proxy Form with you to facilitate your identification as a Wridgways Shareholder and admission to the Annual General Meeting.

A body corporate which is a Wridgways Shareholder may appoint an individual to act as its corporate representative. If you are attending as a corporate representative, please bring evidence of your authority, unless that evidence has been previously lodged with the Wridgways Share Registry.

Proxies

An AGM Proxy Form is included with this document. If you wish to appoint a proxy to attend and vote at the Annual General Meeting, complete the AGM Proxy Form.

Your AGM Proxy Form or appointment of attorney (in the event you wish to appoint an attorney to attend and vote at the Annual General Meeting) must either be:

- sent by mail to the Wridgways Share Registry (using the reply paid envelope included with this document), addressed to Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria 3001;
- faxed to (03) 8768 7311 or 1800 783 447 from within Australia, or +61 3 8768 7311 or +61 3 9473 2555 from overseas;
- lodged online at www.investorvote.com.au; or
- sent to Wridgways' registered office at 26-40 Nina Link, Dandenong South, Victoria 3175 and marked to the attention of the Company Secretary.

Your AGM Proxy Form (and, if an attorney signs the AGM Proxy Form on your behalf, the authority (or a certified copy) under which the AGM Proxy Form was signed), must be received at one of the addresses or fax numbers referred to above or be lodged at www.investorvote.com.au at least 48 hours before the Annual General Meeting (unless you have already provided a copy of the authority to the Company).

If you appoint an attorney to attend and vote at the Annual General Meeting, the authority (or a certified copy of the authority) must be received at one of the addresses or fax numbers referred to above or be lodged at www.investorvote.com.au at least 48 hours before the Annual General Meeting (unless you have already provided a copy of the authority to the Company).

If you complete and return an AGM Proxy Form, you may still attend the Annual General Meeting in person, revoke the proxy and vote at the Annual General Meeting.

Shareholders who are entitled to vote

For the purposes of this Annual General Meeting and in accordance with regulation 7.11.37 of the Corporations Regulations 2001, the Directors have determined that a person's entitlement to vote at the Annual General Meeting will be determined according to the register of members as at 7.00pm (Sydney time) on 23 November 2010.

Questions and comments to the Company

The chair of the Annual General Meeting will allow a reasonable opportunity for the shareholders as a whole at the meeting to ask questions about, or make comments on, the management of the Company and the items of ordinary and special business set out in the Notice of Annual General Meeting.

In addition, shareholders may submit written questions to the Company no later than 5 business days before the day on which the Annual General Meeting is held.

Questions to the auditor

Any shareholder may submit to the Company a written question directed to the Company's auditor Deloitte Touche Tohmatsu if the question is relevant to:

- the content of the Auditor's Report to be considered at the Annual General Meeting; or
- the conduct of the audit of the Annual Financial Report to be considered at the Annual General Meeting.

Any relevant written question must be received by the Company no later than 5 business days before the day on which the Annual General Meeting is held.

The chair of the Annual General Meeting will allow a reasonable opportunity for the shareholders as a whole at the meeting to ask the Auditor or the Auditor's representatives questions relevant to:

- the conduct of the audit;
- the preparation and content of the Auditor's Report;
- the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- the independence of the auditor in relation to the conduct of the audit.

EXPLANATORY MEMORANDUM

ITEM 1 - FINANCIAL AND OTHER REPORTS

The Annual Financial Report, the Directors' Report and the Auditor's Report of the Company and its controlled entities for the financial year ended 30 June 2010 are set out in the Wridgways 2010 Annual Report.

ITEM 2 - REMUNERATION REPORT

The Remuneration Report for the financial year ended 30 June 2010 is set out in the Directors' Report contained in the 2010 Annual Report. A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

Whilst the Corporations Act 2001 (Cth) requires the resolution on Item 2 to be put to a vote, the resolution is advisory only and does not bind the Directors or the Company.

Recommendation

The Directors recommend shareholders vote in favour of the resolution.

ITEM 3 ELECTION OF DIRECTOR – MR BRIAN C CLARKE

Article 74 of the Company's Constitution provides that one third of the Directors shall retire from office at each AGM and submit for re-election. No Director (subject to the article 92 exception for a Managing Director) shall hold office for a continuous period in excess of 3 years (or until the third Annual General Meeting following the Director's appointment), without submitting for re-election.

Mr Brian C Clarke has been a Director since May 1999 and, being eligible, seeks re-election in accordance with article 74 of the Constitution. A summary of biographical information on Mr Brian C Clarke, is set out below:

Mr Brian C Clarke has held a number of senior administrative positions within the Group including Group Accountant and IT Manager. A member of the Chartered Institute of Company Secretaries in Australia, he has been Company Secretary and a Director of Wridgways Australia Limited since 1997.

Recommendation

The Directors (other than Mr Brian C Clarke) recommend shareholders vote in favour of the resolution.

ITEM 4 - ELECTION OF DIRECTOR- MR ANDREW L HORSLEY

Article 72 of the Company's Constitution provides that the directors may at any time appoint any person as director, however, the person so appointed shall hold office until the end of the next following annual general meeting and shall be eligible for election at that meeting.

Mr Andrew L Horsley was appointed as Non-executive Director on 1 January 2010.

Having been appointed to the Board since the last Annual General Meeting, Mr Andrew L Horsley retires as a Director and, being eligible, offers himself for re-election. A summary of biographical information of Mr Andrew L Horsley, is set out below:

Mr Horsley established Horsley and Company, a high level executive search consultancy, in 1993 after previously being a principal of an international executive search firm in Sydney and London. Prior to that, he was a commercial lawyer with Baker & McKenzie and legal counsel with Esso.

Recommendation

The Directors (other than Mr Andrew L Horsley) recommend shareholders vote in favour of the resolution.

ITEM 5 - APPROVAL OF FINANCIAL ASSISTANCE BY THE COMPANY

Discretionary Special Dividend

On 20 September 2010, the Company announced that it had entered into a Scheme Implementation Agreement (*SIA*) with Santa Fe Holdings Ltd. (*Santa Fe*) for the proposed acquisition of all the issued shares in the Company by an Australian wholly-owned subsidiary of Santa Fe, Santa Fe Moving & Relocation Services Australia Pty. Ltd. (*Santa Fe Australia*) (the *Scheme*).

Under the Scheme, Santa Fe Australia will pay each Company shareholder \$2.80 cash (less the cash amount of any discretionary special dividend paid) in respect of each Company share held by the shareholder.

Under the SIA, the Board may decide (in its absolute discretion), to declare a fully franked dividend of no more than \$0.45 (the *Discretionary Special Dividend*) in respect of each of the Company's shares, if:

- the Scheme is approved by the Company's shareholders at the Scheme meeting to be held on 25 November 2010;
- the Scheme is approved by the Court; and
- the resolution in Item 5 of the Notice of Annual General Meeting, relating to financial assistance is approved by the Company's shareholders.

The Board is considering the payment of the Discretionary Special Dividend in the range of \$0.40 - \$0.42 per share.

If the Board, in its absolute discretion, declares the Discretionary Special Dividend, it must be declared by no later than the last date permitted by the ASX Listing Rules to enable payment on the Discretionary Special Dividend payment date (expected to be 14 December 2010).

Funding the Discretionary Special Dividend

If the Directors resolve to declare the Discretionary Special Dividend, the Company will fund the payment of the Discretionary Special Dividend from a combination of the Company's available surplus cash and debt facilities, of up to \$14.4 million. The Company is currently considering offers from authorised deposit taking institutions of debt funding on commercial terms (including the provision of security in accordance with market practice) that might be acceptable to the Board, and expects to have agreed terms in place prior to the Scheme Meeting. Any remaining funds available to the Company from these sources, after payment of the Discretionary Special Dividend, will be utilised to support the Company's working capital and capital expenditure requirements.

Restrictions on companies giving financial assistance

Section 260A of the Corporations Act permits a company to financially assist a person to acquire shares in the company if, for example, the financial assistance is approved by shareholders under section 260B. The resolution set out in item 5 is a resolution for the purposes of section 260B of the Corporations Act.

A company may be regarded as giving financial assistance if it makes a payment of money (such as a dividend) or if it provides something that is required in order for a transaction to be carried out. The financial assistance may be provided:

- for the purpose of assisting the acquisition; or
- in circumstances which are in fact connected with the acquisition.

The Directors may declare the Discretionary Special Dividend and give certain representations and warranties under a facility agreement (that allow the Discretionary Special Dividend to be paid).

Accordingly, the Company may be considered to be financially assisting Santa Fe Australia to acquire shares in the Company, as the Discretionary Special Dividend might be taken to be paid in circumstances which are connected with the acquisition.

Reasons for giving financial assistance

Under the Proposal, the Company may be regarded as giving “financial assistance” if it pays the Discretionary Special Dividend, or it gives representations or undertakings to its financiers under a facility agreement, which in turn facilitates the acquisition of the Company’s shares under the Scheme to be carried out.

The Board may, in its absolute discretion, declare the Discretionary Special Dividend in the circumstances set out above. The Scheme consideration will be reduced by the amount of any Discretionary Special Dividend paid.

The payment of the Discretionary Special Dividend will enable shareholders to receive a fully franked dividend. This may in turn, give certain shareholders the ability to obtain the imputation benefit associated with the franking credits attaching to the Discretionary Special Dividend.

A draft class ruling has been received by the Company from the Australian Taxation Office (the *ATO*) to confirm the tax implications of the proposed Discretionary Special Dividend for the Company’s shareholders generally (the *Class Ruling*). The tax implications of the Discretionary Special Dividend will depend on the individual circumstances of each shareholder. The draft Class Ruling may not be relied upon by the Company’s shareholders until such a time as it is issued in final form by the ATO. The final version of the Class Ruling must be published and notice of it must be published in the Commonwealth Government Notices Gazette.

Shareholders are advised to seek their own financial and tax advice.

Effect of financial assistance

The giving of the financial assistance (as contemplated by this Explanatory Memorandum) will facilitate the acquisition of the Company’s shares under the Scheme.

The Discretionary Special Dividend will be funded by a combination of existing surplus cash reserves and borrowing. The effect on the interests of the Company of the giving of the financial assistance will therefore be to increase the borrowings of the Company by up to \$14.4 million and to potentially decrease the cash reserves of the Company. The financial assistance will also reduce the franking credits available to the Company by up to \$6.17 million.

The effect on the interests of the members of the Company of giving the financial assistance financed from borrowings will be that in the event of the winding up of the Company, the lender will effectively rank ahead of the members of the Company with respect to the money borrowed by the Company.

The Directors do not believe that the giving of the financial assistance will materially prejudice the ability of the Company to pay its creditors.

The Directors believe that giving the financial assistance (as contemplated by this Explanatory Memorandum) is in the best interests of the Company.

Advantages of proposed resolution

The giving of financial assistance (as contemplated by this Explanatory Memorandum) should enable shareholders to receive the Discretionary Special Dividend as a fully franked dividend.

Subject to confirmation in the final Class Ruling, the following benefits may apply to certain shareholders:

- the Discretionary Special Dividend will be fully franked with Australian franking credits and these franking credits may provide an additional cash benefit;
- the franking credits attached to the Discretionary Special Dividend may be used to offset the amount of tax that a shareholder of the Company may be required to pay; and
- for the purposes of the disposal of the Company's shares under the Scheme, the capital proceeds received will not include either the final Dividend or Discretionary Special Dividend paid by the Company.

The tax implications of the proposed Discretionary Special Dividend will depend on the individual circumstances of each shareholder. Shareholders are advised to seek their own financial and tax advice.

Disadvantages of proposed resolution

If there is a default by the Company under the facility agreement, the lender may become entitled to enforce its rights under the facility agreement and such enforcement may materially prejudice the interests of the Company.

The Directors have no reason to believe that the Company may default in its obligations under the facility agreement.

Prior Notice to the Australian Securities & Investment Commission

As required by section 260B(5) of the Corporations Act, copies of the Notice of Annual General Meeting and Explanatory Memorandum, as sent to shareholders, were lodged with the Australian Securities & Investment Commission prior to despatch to shareholders.

Disclosure

The Directors consider that this Explanatory Memorandum contains all information known to the Company that would be material to shareholders in deciding how to vote on the proposed resolution other than information which it would be unreasonable to require the Company to include because it has been previously disclosed to the shareholders of the Company.

Recommendation

The Directors recommend that the shareholders vote in favour of the special resolution to approve the giving of financial assistance.

Directory

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AUSTRALIA

Legal Adviser

Greenwich Legal Services Pty Ltd
Level 11
50 Margaret Street
Sydney NSW 2000
AUSTRALIA

Independent Expert

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AUSTRALIA

Auditor

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550 Bourke Street
Melbourne VIC 3000
AUSTRALIA

Share Registry

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Abbotsford VIC 3067
AUSTRALIA