

29 April 2011

## ASX RELEASE

### Minimum Holding Buy Back

Further to the announcement made on 4 April 2011, Everest Financial Group Limited (**Company**) is pleased to announce that it has today instituted a buy back of ordinary shares for shareholders who hold less than marketable parcels of shares (**Minimum Holding Buy Back**) and is sending the attached letter and retention form to those shareholders. Copies of these documents are also available on the Everest website at [www.everest.com.au](http://www.everest.com.au).

The directors believe that the Minimum Holding Buy Back will:

- assist in reducing the Company's large shareholder base and the administrative costs to the Company which are incurred as a result of it; and
- provide holders of less than a marketable parcel of shares in the Company with an option to exit their investment prior to the proposed de-listing of the Company.

Further details of the proposed de-listing and other items of business for the Company's 2011 annual general meeting (**AGM**) are set out in the Notice of Meeting convening the AGM, accompanying Chairman's Letter, Explanatory Statement and Proxy Form for the AGM (**Meeting Documents**). The Meeting Documents have today been posted on the ASX company announcements platform and despatched to all shareholders. Copies of the Meeting Documents are also available on the Everest website at [www.everest.com.au](http://www.everest.com.au).

The Meeting Documents contain important information concerning the Company and Company's board strongly encourages all shareholders (including shareholders of holding less than a marketable parcel of shares) to read the Meeting Documents in full.

Ends.

For further information please visit our website [www.everest.com.au](http://www.everest.com.au) or contact:

Michael Sutherland  
Company Secretary and Director  
Phone: (02) 8001 9100

29 April 2011

Dear shareholder

## THE MINIMUM HOLDING BUY BACK

Everest Financial Group Limited (**Company**) has instituted a buy-back of ordinary shares for shareholders who hold less than a marketable parcel of shares (**Minimum Holding Buy Back**). Under the Australian Securities Exchange (**ASX**) listing rules (**ASX Listing Rules**), any shareholding valued at less than \$500 is considered to be less than a marketable parcel of securities (**Small Holding**). The ASX Listing Rules and clause 14 of the Company's constitution permits the Company to purchase Small Holdings held by shareholders, unless the shareholder instructs the Company not to purchase those shares.

## PURPOSE OF THE MINIMUM HOLDING BUY BACK

The Company incurs additional administrative and registry costs on account of Small Holdings. The Minimum Holding Buy Back is being undertaken to:

- assist in reducing the large shareholder base and the administrative costs to the Company which are incurred as a result of it; and
- provide holders of Small Holdings with an option to exit their investment in the Company prior to the proposed de-listing of the Company, which was announced to the market on 4 April 2011 and details of which are set out in the notice of meeting convening the Company's 2011 annual general meeting and accompanying explanatory statement, which were issued to all shareholders on the date of this letter (**Notice of Meeting**).

The Notice of Meeting contains important information and the Company's board strongly encourages you to read that document in full and to seek legal or other professional advice in connection with it.

## BUY BACK OF YOUR SMALL HOLDING

As at 7.00pm (Sydney time) 27 April 2011 (**Minimum Holding Record Date**) you were the holder of a Small Holding.

Under the Minimum Holding Buy Back you will receive 12.5 cents cash for per share (**Minimum Holding Buy Back Price**), without the need to pay brokerage, registry or any other transaction costs. The price is the same as price per share at which Wingate Direct Investments Pty Limited, a former substantial Shareholder in the Company, disposed of its Shares on 16 March 2011. The volume weighted average price per share for the period from 1 January 2011 to 3 April 2011 was 11.77 cents per share. Having regard to the above, the directors of the Company consider the Minimum Holding Price to be a fair and reasonable price per share for those holders of Small Holdings who wish to exit their investment in the Company.

If you do not want your Small Holding to be purchased by the Company under the Minimum Holding Buy Back, you must complete the **enclosed** notice of retention (**Retention Notice**) and return it to the Company by 5.00pm (Sydney time) on Tuesday, 14 June 2011 (the **Closing Date**).

It may be that the value of the shares you hold in the Company may increase in value during the period following the Minimum Holding Record Date, either because of the acquisition of further shares or because the share price increases. Accordingly, eligibility to participate in the Minimum Holding Buy Back will be reassessed at 7.00pm (Sydney time) on Tuesday, 14 June 2011 (being

2 hours after the Minimum Holding Closing Date (**Re-testing Time**). If you still hold a Small Holding at the Re-testing Time, then (unless a Retention Notice has been lodged by the Closing Date and regardless of your holding of shares at any other time), your shares will be bought back on Wednesday 15 June 2011 (the **Minimum Holding Buy Back Date**). If, however, you receive this letter but no longer hold a Small Holding at the Re-testing Time, then your shares will not be bought back under the Minimum Holding Buy Back, even if a Retention Form has not been lodged by you.

Following the Minimum Holding Buy Back Date, you will be informed in writing by the Company whether or not your shares have been bought back under the Minimum Holding Buy Back.

### **YOUR CHOICES**

1. If you would like the Company to purchase your Small Holding for 12.5 cents per share, then you do not need to do anything.
2. If you do not want your Small Holding to be purchased by the Company for 12.5 cents per share under the Minimum Holding Buy Back, you must complete the **enclosed** notice of retention (**Retention Notice**) and return it to the Company.

A completed Notice of Retention must be received by the Company by **no later than the Closing Date, being 5.00pm (Sydney time) on Tuesday, 14 June 2011. If a completed Notice of Return is not received by this time, your shares will (to the extent they still constitute a Small Holding at the Re-testing Time) be purchased by the Company.**

### **TRUSTEES AND NOMINEES**

If you hold shares in the Company on trust or as nominee for multiple beneficial owners, whereby the value of combined shareholding of all the entities on trust is less than \$500, then the Company will purchase the shares of each entity held on trust unless a completed Notice of Retention is received by the Company by the Closing Date.

### **PAYMENT OF PROCEEDS**

If your Small Holding is purchased by the Company, the Company will forward to you, as soon as practicable, the proceeds of the purchase. It is expected that payment will be forwarded on Monday, 20 June 2011. There will be no brokerage fees payable by shareholders whose shares are purchased by the Company under the Minimum Holding Buy Back.

Shares purchased by the Company under the Minimum Holding Buy Back will be cancelled on the Minimum Holding Buy Back Date (namely, Wednesday 15 June 2011) .

### **TAXATION**

Any taxation consequences arising from the sale of your Small Holding under the Minimum Holding Buy Back is your responsibility. If you require information regarding possible taxation implications for the sale of your Small Holding under the Minimum Holding Buy Back, please consult your professional advisor.

### **IMPORTANT INFORMATION REGARDING PROPOSALS RELATING TO THE COMPANY**

As announced to the market on 4 April 2011, the board of the Company determined to put a resolution to shareholders at its upcoming annual general meeting scheduled for 30 May 2011 (**AGM**) to, among other things:

- de-list the Company's securities from quotation on the ASX; and
- conduct an equal access buy back at a buy back price equal to the Minimum Holding Buy Back Price.

Shareholders whose shares are bought back under the Minimum Holding Buy Back will be ineligible to participate in the equal access buy back. The Notice of Meeting contains important information provided in connection with the de-listing and the equal access buy back which is also relevant to your decision whether or not to lodge a Retention Notice in response to this letter.

***Accordingly, the Company's board strongly encourages you to read the Notice of Meeting in full and, if you are unclear as to how to proceed in connection with any matter in the Notice of Meeting or this letter, to seek legal or other professional advice.***

If you have any queries in relation to the Minimum Holding Buy Back the matters set out in the Notice of Meeting, please call director and company secretary of the Company, Michael Sutherland, on 02 8001 9100.

Yours faithfully,



Greg Martin  
Director & Chairman  
**Everest Financial Group Limited**



SRN/HIN:

Number of Shares held  
as at the Record Date,  
7:00pm (Sydney time)  
on 27 April 2011

XXX

**IMPORTANT NOTICE**

Please complete this form if you do **not** wish your shares in Everest Financial Group Limited to be bought back. If you do not understand this form or the accompanying notice you should immediately consult your financial adviser.

**SHARE RETENTION FORM**

If you wish to retain your shareholding in Everest Financial Group Limited ("EFG") you must complete this form and return it to EFG's Registry, so that it is received no later than 5:00pm (Sydney time), on 14 June 2011. Forms may be mailed or delivered to the addresses below.

**Mailing Address**

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

or

**Hand Delivery**

Everest Financial Group Limited  
C/- Link Market Services Limited  
Level 12, 680 George Street,  
Sydney NSW 2000 **(Do not use this address for mailing purposes)**

This form must be received by EFG's Registry no later than 5:00pm (Sydney time), on 14 June 2011, or your shares will (to the extent that they still comprise less than a marketable parcel of shares for the purposes of the ASX Listing Rules and the EFG constitution as at 7:00pm on 14 June 2011) be bought back by EFG.

**Retention of Shares**

I/we the shareholder(s) described above by signing this form, hereby give notice that I/we wish to retain my/our shareholding in EFG, pursuant to clause 14.2 of the Company's constitution.

**Contact Details**

Enter your telephone number(s) where we may contact you regarding this form.

Telephone Number – Business Hours

( )

Telephone Number – After Hours

( )

Contact Name (PRINT)

**Shareholder Signature(s) – This MUST be completed**

Shareholder 1

Individual or Sole Director and  
Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date

/ /

This form should be signed by the registered shareholder. If a joint holding, all shareholders should sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a shareholder which is a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

Link Market Services Limited advises that Chapter 2C of the Corporations Act 2001 requires information about you as a securityholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. Information is collected to administer your securityholding and if some or all of the information is not collected then it might not be possible to administer your securityholding. Your personal information may be disclosed to the entity in which you hold securities. You can obtain access to your personal information by contacting us at the address or telephone number shown on this form. Our privacy policy is available on our website (www.linkmarketservices.com.au).

**THIS FORM MUST BE RECEIVED BY LINK MARKET SERVICES LIMITED  
BY NO LATER THAN 5:00PM (SYDNEY TIME) ON THE 14 JUNE 2011**

If you require further information on how to complete this form, please contact Everest Financial Group Limited on (02) 8001 9100 (within Australia) or +61 2 8001 9100 (from outside Australia) between 8:30am and 5:30pm (Sydney time) Monday to Friday.

**EFG RSS001**

