

## ASX Release

20 September 2011

The Manager  
Company Announcements Office  
Australian Stock Exchange  
Exchange Centre  
20 Bridge Street  
Sydney NSW 2000

### **RE: Chairman's address to the General Meeting of Shareholders 20 September 2011**

Ladies and Gentleman, I would like to draw your attention to the main reason why the majority of the independent directors of the Company – namely Tony Saad and myself - are proposing that the Company be delisted and address some issues raised by certain newspaper articles regarding the proposed delisting.

There are several material reasons for proposing to delist the Company detailed in the Notice of Meeting and I do not propose to repeat them all. However, I would like to focus on the main reason -

#### **The Lack of Liquidity**

In the calendar year between 1 June 2009 and 31 May 2010, approximately 2.4% of TMA's shares were traded and in the calendar year between 1 June 2010 and 31 May 2011, approximately 2.7% of TMA's shares were traded.

In the period of 6 months to May 2011, the volume of TMA's shares traded on the ASX represented only 0.55% of the issued shares, or an average of 0.1% of TMA's shares per month.

There are two obvious consequences from that lack of liquidity:

- 1- the Company has not been able to attract institutional investors, and
- 2- without significant trading volume, the share price continues to fall, which in turn compounds the lack of liquidity problem.

In short, the scene is set for a long term stalemate.



**TMA Group of Companies Limited**

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We have always defined our primary reason for being listed as having access to funds to enable the business to grow.

However without liquidity, we have not been able to achieve the expected benefit from being listed.

Shareholders that were with Mark Sensing prior to the TMA merger in 2008 will recall having qualified Audit reports with questions on '*a going concern*' being raised in our last pre merger Annual report.

Post merger our trading sales volumes, profits and balance sheets have all grown significantly and we now enjoy unqualified Audit reports.

Unfortunately, despite this growth, the feedback from brokers is that the 81% holding by the Karam Family would not allow institutions to participate in the Company;

Realising that 'institutional investors' are not interested and that the general interest in the shares (volume and price) was falling, your independent directors addressed the question of why should the Company and its shareholders continue to incur significant ASX listing fees and other compliance expenses, for no benefit?

Improved results and a stronger balance sheet is just not enough. Any benefit of waiting for this low share price to recover seems futile.

So the majority of your independent directors made the decision to recommend to Shareholders that the Company and its Shareholders stop incurring these costs and instead allocate the funds saved towards the growth of the Company and hopefully enable future dividends.

The Company's focus on growth will continue to be its main priority, at least for the next 3 years.

The next issue I would like to address are certain issues raised by recent newspaper articles regarding the proposed delisting of the Company.

One view that appears to have been suggested by a certain journalist is that the conditions imposed by ASX for TMA to delist is a marked change in its policies. Obviously, I cannot comment on the ASX, the adequacies of the listing rules or ASX's policies in applying those rule. However, I am aware of three examples – namely, for Mawson West Limited, Cheviot Bridge Limited and Blue Ensign Technologies Limited – between April 2009 and April 2010 where ASX approved proposed delistings with materially similar conditions as those that were imposed on TMA. Further, all of those proposed delisting did not contemplate an exit mechanism at the time of delisting.

Another view that has been expressed is that seeking shareholder approval is merely "lip service" where a single shareholder holds 80% of the stock and gets to vote on that resolution.

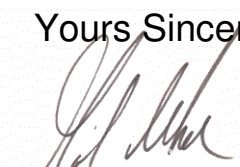
I address that view by noting to the best of my knowledge that TMA has complied with all applicable laws, listing rules and policies of the ASX and ASIC. No requirement exists, or

is otherwise suggested in such laws, listing rules or policies to exclude the Karams' interest from voting on the Resolution. Given the Karams' interests will be voting in respect the Resolution purely in their capacity as shareholders, and, if the Resolution is passed, will not receive any benefit – whether financial or otherwise – that is different from what any other TMA shareholder will receive, I do not consider that the Karams should be disqualified from voting.

The total numbers of valid proxy votes exercisable at today's General Meeting of Shareholders are as follows:

Resolution Number	Resolution	For	Against	Abstain & Open
1.	The Delisting of the Company by a date, and in accordance with such conditions, if any, as is or are prescribed or approved of by the ASX	96,152,973	1,865,068	4,901

Yours Sincerely



Michael Whelan  
Chairman