

6 January 2012

Attention: Company Announcements Office

Australian Securities Exchange
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Facsimile: 1300 135 638

Dear Sir / Madam,

Connxion Limited
(Subject to a Deed of Company Arrangement)
ACN: 003 607 074
("the Company")
ASX Code: CXN

Chairman's Address

General Meeting
Monday 6 February 2012 at 10.00am

Dear Shareholders,

My name is John Vouris and I am the Joint and Several Deed Administrator of the Company.

As shareholders may be aware, Bradley Tonks and I were appointed Joint and Several Administrators of the Company, and its subsidiary Data 1 Pty Ltd (formerly Connxion Data Pty Ltd) (Subject to a Deed of Company Arrangement) ("Data 1") on 30 June 2011.

During the administration, we have issued a number of reports and updates to both creditors and shareholders of the Company via the ASX website, the Lawler Partners website, and via post.

For the purpose of the meeting, I will provide an update for those in attendance:

- Upon our appointment, we sought expressions of interest and commenced negotiations with parties to secure an offer for the Company and/or its subsidiary, Data 1.
- We received a number of offers and at a creditors meeting on 15 November 2011, creditors of the Company resolved to accept the proposal from Core Equities Pty Ltd ("Core Equities"), who are in attendance here today.
- Subsequently, two Deeds of Company Arrangements ("DOCAs") were executed by Connxion and its subsidiary, Data 1, with Core Equities on 6 December 2011. On 19 January 2012, Creditors Trust Deeds ("Creditors Trusts") were executed by the Company and Data 1.


Sydney
Melbourne
Newcastle
Brisbane
Rockhampton



- A summary of Core Equities' proposal ("the Proposal") was set out in the Notice of Meeting dated 22 December 2011 which was sent by post to all shareholders and uploaded to the ASX website. As set out in the Notice of Meeting and the attaching Explanatory Memorandum:
 - The purpose of the capital raisings as part of the Proposal is to:
 - make a payment to the Creditors' Trusts;
 - provide funds to satisfy the future obligations of the Company in relation to the remaining business units and expansion as required;
 - provide funds for the review and acquisition of alternative/new businesses; and
 - meet the administration costs of the Company and the expenses of the recapitalisation and reinstatement to trading on ASX;
 - On completion of the Proposal, it is the intention of Core Equities that the Hotel Loyalty Program business operating in Hong Kong and China will remain as the core business activity with possible further expansion throughout Asia and Australia.
 - It is the intention of Core Equities' new management team to actively seek out complementary and non-complementary assets, investments and businesses that will generate additional shareholder value; and
 - The meeting is being convened to consider the resolutions which require shareholder approval and are conditions precedent to the DOCAs. Effectuation of the DOCAs will not occur unless Shareholders approve Resolutions 1 to 8 set out in the Notice. If Shareholders do not do so, the Deed Administrators may call a meeting of creditors to consider terminating the DOCAs and resolving that the Company and Data 1 be wound up.
- The meeting has been convened in accordance with the Notice of Meeting dated 22 December 2011.

Should shareholders have any queries, please contact Daniel Behman of this office on (02) 8346 6000 or email DBehman@lawlerpartners.com.au.

Yours faithfully
Connix Limited



John Vouris
Joint & Several Deed Administrator