

MCN+

M^cGRATHNICOL

CORPORATE RECOVERY

27 September 2012

Australian Securities Exchange Limited
ASX Markets Announcement Platform
20 Bridge Street
SYDNEY NSW 2000

By facsimile: 1300 135 638

Dear Sir / Madam

Henry Walker Eltin Group Limited (Subject to Deed of Company Arrangement) ("the Company")
Re: ASX disclosure

The Deed Administrators of the Company provide the following further update to the market on the progress of the administration and status of the Company.

- + The Company was placed into voluntary administration on 31 January 2005 and was suspended from official quotation on ASX on the same date. The Company's shares have been continuously suspended since that time.
- + There has been no trading in the Company's shares throughout the period of its suspension.
- + On 6 June ASX agreed to the continued listing of the Company on ASX.
- + Australian Securities and Investments Commission ("ASIC") has:
 - required that the Company update its consolidated financial statements for the period during the Deed of Company Arrangement ("DOCA"); and
 - indicated that an application to deregister certain subsidiaries of the Company may proceed, on conditions, including the lodgment of financial accounts.
- + The Company has sought a waiver from ASX for the filing of audited accounts in respect of prior periods, which application is yet to be determined.
- + The Deed Administrators in consultation with the Board are:
 - updating the financial statements of the Company for the period to 30 June 2012;
 - considering, in the context of present exemption or waiver applications, whether the Company needs to or should prepare prior year financial accounts;
 - working through the deregistration of the Company's subsidiaries; and
 - considering the manner in which the Company may proceed after the effectuation of the DOCA, including as to trading, capitalisation or otherwise,with a view to the effectuation of the DOCA and the consequential return to shareholders.
- + The Deed Administrators and the Company are in the process of attending to these matters and expect to exit the DOCA within a further six months, subject to:
 - any requisite finalisation of prior year accounts; and
 - any requirement for the auditing of such prior year accounts.
- + Company intends maintaining its listing on ASX.

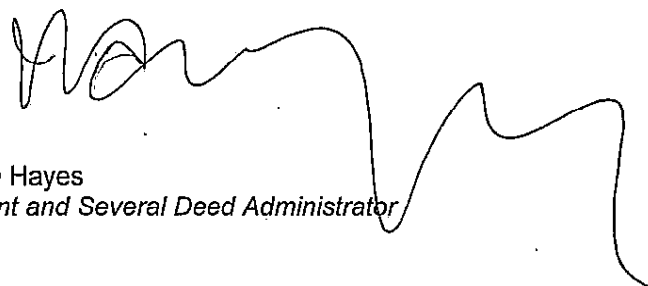
MCN+

MCGRATHNICOL

- + The Company will inform the market of further matters at least quarterly, including as to any return to shareholders, in the course of finalising the DOCA.

Yours faithfully

Henry Walker Eltin Group Limited (Subject to Deed of Company Arrangement)

A handwritten signature in black ink, appearing to read 'JD Hayes', with a large, stylized flourish extending to the right.

J D Hayes

Joint and Several Deed Administrator