

VEALLS LIMITED

ACN 004 288 000

Registered Office

1st Floor 484 Toorak Road
Toorak Vic 3142

Postal Address

1st Floor 484 Toorak Road
Toorak Vic 3142

PH: (03) 9827-4110

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5 August 2013

The Manager
Australian Stock Exchange
E-Lodgements

Dear Sir / Madam,

GENERAL MEETING

Following is advice of a general meeting of the Company to be held on Friday 6 September 2013 together with explanatory information and proxy form.

Yours faithfully



Duncan Veall
Company Secretary

Notice of general meeting

Notice is hereby given that a general meeting of members of Vealls Limited (**Vealls**) will be held at Level 7, 500 Collins Street, Melbourne Victoria on Friday 6 September 2013 at 10.30 am.

Business

The purpose of the meeting is to consider, and if thought fit, to pass the resolutions referred to in this notice.

Resolutions:

Resolution 1: Approval for disposal of the Cardrona Alpine Resort in New Zealand (Ski Business)

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

That, for the purposes of ASX Listing Rule 11.2, the constitution of Vealls and for all other purposes, the sale of the Ski Business, at such price and on such terms and conditions as are reasonably acceptable to the Board, be approved.

Resolution 2: Approval of Restructure

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

That the Restructure as described in the explanatory memorandum accompanying this Notice of Meeting be approved for all purposes and the Board be empowered to implement the Restructure.

Resolution 3: Listing on the Singapore Stock Exchange (SGX)

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

That the Board be empowered to determine that Vealls apply for listing on SGX at an appropriate time.

Entitlement to vote:

The board has determined that for the purposes of the meeting, shares will be taken to be held by the persons who are the registered holders at 10.30 am on Wednesday, 4 September 2013. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

Voting exclusion statement:

- 1 Vealls will disregard any votes cast on Resolutions 1, 2 and 3 by:
 - any person who may obtain a benefit, except a benefit solely in the capacity of a security holder, if Resolutions 1, 2 or 3 are passed; and
 - an associate of that person.
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- 2 However, Vealls need not disregard a vote if it is cast by:
 - a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
 - the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
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Proxies:

- 1 A member entitled to attend and vote at the meeting is entitled to appoint a proxy. A member entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
 - 2 A member may appoint not more than two proxies.
 - 3 If a member appoints one proxy only, that proxy shall be entitled to vote on a show of hands. If a member appoints two proxies, only the first named proxy shall be entitled to vote on a show of hands.
 - 4 Where 2 proxies are appointed and the appointment does not specify the proportion or number of the member's votes, each proxy may exercise half of the votes.
 - 5 A proxy need not be a member of Vealls.
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Proxy forms must be received at:

The Registered Office of the Company
1st Floor, 484 Toorak Road, Toorak, Vic 3142
either by mail or facsimile to (03) 9827 4112 or international +613
9827 4112 or by other delivery

not less than 48 hours before the time for holding the meeting. A proxy form is attached to this notice.

By order of the Board



Duncan R Veall
Company Secretary

5 August 2013

Vealls Limited
ABN 39 004 288 000

Explanatory Memorandum

1 Introduction

This Explanatory Memorandum has been prepared for shareholders (**Shareholders**) of Vealls Limited ABN 39 004 288 000 (**Vealls**) in connection with the business to be considered at the general meeting of members of Vealls (**General Meeting**) to be held at 10.30 am on Friday 6 September 2013 at Level 7, 500 Collins Street, Melbourne Vic and contains important explanatory information for Shareholders in relation to the resolutions (**Resolutions**) set out in the notice of meeting dated 5 August 2013 accompanying this Explanatory Memorandum (**Notice of Meeting**).

The Directors recommend Shareholders read this Explanatory Memorandum carefully in full before making any decision in relation to the Resolutions. The Directors encourage all Shareholders to attend the General Meeting and vote in person or by proxy to ensure that they have a say in the future direction of Vealls.

The Directors recommend that Shareholders vote in favour of all Resolutions.

If you are in doubt about what to do in relation to the Resolutions, you should consult your financial or other professional adviser.

2 Background

On 23 November 2012, Vealls announced to the market that the board of Vealls (**Board**) would undertake a review of its corporate strategies (**Strategic Review**). The Strategic Review considered:

- (a) economic conditions in the countries in which Vealls and its subsidiaries conduct business (being Australia, New Zealand, France and Singapore) as well as which of those countries are most likely to be least affected by the continuing global financial contractions in the short to medium term; and
- (b) the advantages and disadvantages of the structure of Vealls' operations (in particular the number of subsidiaries of Vealls and matters such as costs and demands of complying with the legal and regulatory requirements of the different countries in which Vealls conducts its businesses and the need to monitor foreign currency movements in such countries).

The results of the Strategic Review were announced to the market on 12 February 2013. The announcement noted that the Board had decided that:

- (a) Vealls should conduct its business in one country, rather than a number of countries. On the basis of an evaluation of its past history and present relative position compared with other countries, the Board had determined that this country should be Singapore;
- (b) Vealls should discontinue the operation of its subsidiaries by either winding them up or disposing of them or their assets;
- (c) Vealls should use the proceeds of such disposals to become an investment company and acquire securities in companies listed on the Singapore Stock Exchange (**SGX**) and on other regional Asian stock exchanges, with a view to obtaining both income and capital growth from such investments; and

(d) the Board should give consideration to the Company's listing on the SGX at an appropriate time.

As a result of the Strategic Review, the Board of Vealls decided that it was in the best interests of Vealls and its shareholders that Vealls undergo structural change outlined by the Strategic Review by engaging in a series of transactions (together, the **Restructure**). The Restructure involves Vealls:

- 1 winding up subsidiaries that do not conduct material businesses. Vealls is well progressed with the deregistration of these subsidiaries;
- 2 disposing of subsidiaries that do conduct material businesses, including disposing of the Cardrona Alpine Resort in New Zealand (**Ski Business**);
- 3 disposing of real property in NSW and Victoria. Vealls has begun the process of finding suitable buyers for these properties;
- 4 using the proceeds of such disposals to acquire securities in companies listed on the SGX and on other regional Asian stock exchanges; and
- 5 the Board considering Vealls' listing on the SGX at an appropriate time.

3 Resolutions

3.1 Resolution 1: Disposal of Ski Business

In accordance with Listing Rule 11.2 and article 98 of the constitution of Vealls, Vealls is seeking shareholder approval to the disposal of the Ski Business at such price and on such terms and conditions as are reasonably acceptable to the Board.

Vealls has owned and operated the Ski Business since 1 January 1990 and in the intervening period has developed the Ski Businesses facilities to the point where it is regarded as one of the leading ski fields in New Zealand.

As disclosed on 28 May 2013, Vealls has sought expressions of interest from parties in relation to the sale of the Ski Business.

Vealls is currently in negotiations with Real Journeys Limited (**Real Journeys**), as the preferred bidder and Real Journeys continues to undertake due diligence on the Ski Business. No agreement has been reached and there is no assurance that any agreement will be reached with Real Journeys.

While a sale agreement is yet to be finalised, it is the expectation of Vealls that this will be achieved once the condition that the sale has the approval of Vealls' shareholders has been satisfied.

The Board are seeking shareholder approval to the sale of the Ski Business to Real Journeys or another party on such terms and conditions, including as to price, as the Board considers reasonably acceptable. In considering whether proposed terms and conditions are acceptable, the Board will consider, among other things, the proposed purchase price, any conditions to the sale and the timing for completion of the sale.

The Directors recommend that you vote in favour of the resolution.

3.2 Resolution 2: Approval of Restructure

In accordance with Listing Rule 11.1.2, Vealls is seeking shareholder approval to implement the Restructure as described in this Explanatory Memorandum.

ASX has confirmed to Vealls, that subject to Vealls obtaining shareholder approval for the sale of the Ski Business and to implement the Restructure, ASX will not require any further shareholder approval to implement the Restructure through the disposal or acquisition of assets that are consistent with the Restructure.

The implementation of the Restructure is subject to prevailing economic conditions, the identification of suitable buyers for Vealls' assets and identification and availability of suitable acquisitions. Obtaining shareholder approval for the Restructure at this time will enable Vealls to implement the Restructure over time having regard to each of these factors.

The Directors recommend that you vote in favour of the resolution.

3.3 Listing on the SGX

As a result of undertaking the Strategic Review, the Board decided that Vealls should conduct its business in one country, rather than a number of countries. The Board determined that this country should be Singapore and that at a future time it may be appropriate for Vealls to seek a listing on SGX

The Directors recommend that you vote in favour of the resolution.

STEP 1: Appoint a Proxy to Vote on Your Behalf

I/We
of
being a member(s) of Vealls Limited (the **Company**) and entitled to attend and vote, appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the meeting. Do not insert your own name(s).

(or, in his/her absence, or if no person is named, the Chairman of the meeting) as my/our proxy at the general meeting of the Company to be held on 6 September 2013 and at any adjournment of the meeting to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) and to demand a poll.

If 2 proxies are appointed, the proportion or number of votes this proxy is appointed to represent is: %

If you wish to direct your proxy how to vote, then **for each class of shares that you own** you need to mark the appropriate box opposite each item in Step 2. If you do not mark a box your proxy may vote as they choose.

The Chairman of the meeting intends to vote undirected proxies in FAVOUR of each Resolution

STEP 2: Items of Business

Capital Shares

	For	Against	Abstain
Resolution 1: Approval for disposal of Ski Business	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2: Approval of Restructure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3: Listing on the Singapore Stock Exchange	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Income Shares

	For	Against	Abstain
Resolution 1: Approval for disposal of Ski Business	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2: Approval of Restructure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3: Listing on the Singapore Stock Exchange	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Preference Shares

	For	Against	Abstain
Resolution 1: Approval for disposal of Ski Business	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2: Approval of Restructure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3: Listing on the Singapore Stock Exchange	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SIGN: Signature of member(s)

	Member 1	Member 2	Member 3
sign here ►	<input type="text"/>	<input type="text"/>	<input type="text"/>
	Individual/Sole Director and Sole Company Secretary <i>(delete whichever does not apply)</i>	Director	Company Secretary/Director <i>(delete whichever does not apply)</i>
date	<input type="text"/>		

For your vote to be effective it must be received by Vealls Limited no later than 10.30 am on Wednesday, 4 September 2013

How to Vote on Items of Business

All your shares will be voted in accordance with your directions.

Appointment of Proxy

Any instrument appointing a proxy in which the name of the proxy is not filled is regarded as given in favour of the Chairman of the meeting.

A proxy need not be a member of the Company.

If you wish to direct your proxy how to vote, then **for each class of shares that you own** you need to mark the appropriate box opposite each item in Step 2. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote for that class of shares will be invalid on that item.

Voting 100% of your shareholding: If you wish to direct your proxy to vote 100% of your shareholding, then **for each class of shares you own** please mark the appropriate box opposite each item in Step 2.

Voting a portion of your shareholding: If you wish to direct your proxy to vote a portion of your shareholding, then **for each class of shares you own** please indicate the portion of your voting rights by inserting a percentage of votes in the appropriate box opposite each item in Step 2.

Appointing a second proxy: A member entitled to attend and vote is entitled to appoint not more than 2 proxies to attend and vote instead of the member. If you wish to appoint a second proxy, you will need to complete a second proxy form. Please contact the Company for an additional proxy form. Where 2 proxies are appointed, both forms should be completed with the nominated proportion or number of votes each proxy may exercise. Otherwise each proxy may exercise half of the votes.

If a member appoints one proxy only, that proxy shall be entitled to vote on a show of hands. If a member appoints two proxies, only the first named proxy shall be entitled to vote on a show of hands.

Signing Instructions

Individual: Where the shareholding is in one name, the member or the member's attorney must sign.

Joint Holding: Where the shareholding is in more than one name, all of the members or their attorney(s) should sign.

Power of Attorney: Where a proxy form is executed under a power of attorney, please attach a certified photocopy of the power of attorney to the proxy form when you return it.

Companies: Where the member is a company it must execute the form under its common seal, or if it does not have one, by 2 directors or by a director and a secretary, or if it is a proprietary company that has a sole director who is also the sole secretary (or has no secretary), by that director, or under hand of its attorney or duly authorised officer. If the proxy form is signed by a person who is not the registered holder of shares in the Company, then the relevant authority must either have been exhibited previously to the Company or be enclosed with the proxy form.

Attending the meeting

Bring this form to assist registration. If a representative of a corporate member or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission.

Lodge your vote

The proxy form and authority (if any) under which it is signed must be received at the Registered Office of the Company, Vealls Limited, 1st Floor, 484 Toorak Road, Toorak, Vic, 3142 or sent by facsimile to (03) 9827 4112 or international +613 9827 4112 not less than 48 hours before the time for holding the meeting. Unless this is done the proxy will be treated as invalid.
