

ASX Announcement: Calliden Group Limited (CIX)

8 December 2014

Scheme Meeting Chairman's Address – 8 December 2014

Attached is the Chairman's address for the Scheme Meeting to be held today, Monday 8 December 2014, at 10:00am at the Royal Automobile Club of Australia, 89 Macquarie Street, Sydney.

- ENDS -

For further information, please contact:

Nick Kirk
Chief Executive Officer
(02) 9551 1111

Anthony Dijanosic
Chief Financial Officer
(02) 9551 1111

CALLIDEN GROUP LIMITED SCHEME MEETING

Monday 8 December 2014 at 10:00am

CHAIRMAN'S ADDRESS

Introduction

Good morning Ladies and Gentlemen and welcome to the Scheme Meeting of Calliden Group Limited. My name is Richard Hill and I am Calliden's Chairman. I will be chairing today's Scheme Meeting.

Before we start proceedings, please ensure that all mobile devices are switched off.

I am joined today by my fellow directors, Jack Lowenstein, Nick Kirk, John Messenger and Tony Connon. Also joining me today is Anthony Dijanosic, our Chief Financial Officer and one of our Company Secretaries. Maurice Loomes and Nick Geddes send their apologies for being unable to make it to the meeting.

The purpose of this meeting is to consider the Scheme of Arrangement between Calliden Group Limited and its shareholders, under which it is proposed that Steadfast Group Ltd will acquire 100% of the shares in Calliden.

If you are a Calliden Shareholder or a proxy, attorney or corporate representative of a Calliden Shareholder who is eligible to vote and speak on the resolution and do not have a blue voting card, please put your hand up or see a Computershare representative now. If necessary, I will pause while all registrations are properly completed.

This meeting is convened in accordance with the orders made by the Federal Court of Australia on 31 October 2014. Having confirmed that a quorum is present, I declare the Scheme Meeting open.

The business of this Scheme Meeting is set out in the Notice of Meeting which is contained in Annexure E to the Scheme Booklet distributed to Calliden Shareholders on 7 November 2014. I propose that the notice convening the Scheme Meeting be taken as read.

Copies of the Scheme Booklet incorporating the Notice of Meeting are available at the registration desk just outside this meeting room.

Proposed Resolution

The proposed resolution for consideration at this meeting is to agree to a Scheme of Arrangement between Calliden and its shareholders. The Scheme involves a proposal for the acquisition of 100% of Calliden Shares by Steadfast.

If the Scheme is approved and implemented, Scheme Shareholders, being those Calliden shareholders who hold shares on the Scheme Record Date, will receive Scheme Consideration of \$0.415, as a cash payment, for each Share they hold as at the Scheme Record Date, plus the Special Dividend of \$0.05 for each Share they hold as at the Special Dividend Record Date.

The Scheme Consideration will be paid by Steadfast. Eligible Shareholders will be paid the Scheme Consideration on the Implementation Date, which is currently expected to be 23 December 2014.

The Special Dividend will be paid by Calliden. It is expected that eligible Shareholders will be paid the Special Dividend on 19 December 2014.

The Scheme is conditional on, amongst other things:

- the approval by the requisite majorities of Calliden Shareholders of the resolution to be considered at today's meeting; and
- the Federal Court of Australia approving the Scheme at the second court hearing which is scheduled to be held on Thursday 11 December 2014 at 10:15 am.

There are a number of other conditions to the Scheme which have been outlined in section 2.7(a) of the Scheme Booklet. With the exception of the approval of the requisite majorities of Calliden Shareholders and the Court approval, the other conditions have now been met or are expected to be met before the second court hearing.

Directors' recommendation and Intentions

After long and careful consideration, and having considered the potential advantages and disadvantages of the Scheme and other relevant considerations, your Directors have decided to unanimously recommend that Calliden Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal. Furthermore, and subject to the same qualification, each of your Directors intends to vote, or cause to be voted, all their direct and indirect interests in Calliden Shares in favour of the Scheme.

There are a number of reasons why your Directors support the Scheme and these reasons are fully explained in section 1.1 of the Scheme Booklet.

Submit resolution to vote

I now propose for consideration by the meeting the resolution in the terms set out in the Notice of Meeting and would like to open the matter for discussion. I welcome the opportunity for Calliden Shareholders to ask questions, however I ask that you please limit your questions to matters relevant to the proposed Scheme and that you identify yourself before asking your question.

Are there any questions in relation to the proposed Scheme?

(Chairman to receive questions)

The vote

If there are no further questions, we have now reached the stage in proceedings where a vote is to be taken on the following resolution:

'That pursuant to and in accordance with section 411 of the Corporations Act, the Scheme of Arrangement proposed between Calliden Group Limited and the holders of its fully paid ordinary shares, as contained in and more particularly described in the Scheme Booklet of which the notice convening this meeting forms part, is approved, with or without alterations or conditions as approved by the Court to which Calliden Group Limited and Steadfast Group Ltd agree.'

If there is any person present who believes they are entitled to vote but who has not registered to vote and does not have a blue voting card, would you please raise your hand and a representative of Computershare Investor Services will assist you.

As set out in the Scheme Booklet, voting on the resolution will be conducted by poll. I intend to vote open proxies given to me in favour of the resolution.

In accordance with the requirements of the Corporations Act, in order for the Scheme resolution to be passed, it needs to be agreed to by:

- a majority in number of Calliden Shareholders present and voting, either in person or by proxy; and
- at least 75% of the total number of votes cast on the resolution by Calliden Shareholders present and voting, either in person or by proxy.

At this stage, I would like to report the proxies submitted on this resolution:

- Proxies where the proxy holder has been directed to vote 'For' the resolution: 162,835,215 of Calliden Shares from 446 Calliden Shareholders.
- Proxies where the proxy holder has been directed to vote 'Against' the resolution: 11,362,552 of Calliden Shares from 31 Calliden Shareholders.
- Proxies where the proxy holder has been directed to abstain from voting on the resolution: 8,499 of Calliden Shares from 6 Calliden Shareholders.
- Open proxies: 1,588,527 of Calliden Shares from 40 Calliden Shareholders, of which 1,418,147 from 35 Calliden Shareholders were in my favour and which I intend to vote in favour of the resolution.

Helen Potbury of Computershare Investor Services has been appointed Returning Officer to conduct the polling for this Scheme Meeting. I would now like to ask Helen to provide the instructions on how to vote.

[voting instructions to be read by Helen Potbury]

On the reverse of your blue voting card is your voting card which details the resolution that is being put to this poll.

If you are a proxyholder and only have directed votes, for, against and/or abstain, as shown on the summary of votes attached to your blue voting card, all you need to do is print your name, sign the voting paper and lodge it in the ballot box.

If you are proxyholder with open votes, you need to mark a box beside the resolution to indicate how you wish to cast the open votes, 'For', 'Against' or 'Abstain'.

All other people who have a blue voting card also need to mark a box beside the resolution to indicate how you wish to cast your votes, again, 'For', 'Against' or 'Abstain'.

If you wish to cast some of your votes 'For' the resolution and some of your votes 'Against' the resolution, write in the 'For' box the actual number or percentage you are voting in favour of the resolution and write in the 'Against' box the actual number or percentage of votes you are casting against the resolution. The sum of the votes or percentages 'For' and 'Against' must not exceed your voting entitlement or 100%, respectively.

If you are attending the meeting in more than one capacity, that is, as a shareholder and as a proxy, you will have a voting card for each capacity. Shareholders who have lodged a proxy that has not been revoked or who are not the first named of a joint holding of Calliden Shares are not able to vote at this meeting and have been given a yellow non-voting card.

Please ensure that you print your name where indicated and sign the voting paper.

When you have finished filling in your voting paper, please lodge it in a ballot box. Your vote cannot be counted unless it is lodged.

If you require any assistance, Computershare representatives are here to assist you. Please raise your hand if you require assistance.

(Poll to be taken)

Would you please indicate by raising your hand if you require more time to complete your voting paper?

Thank you. Computershare representatives will now collect the voting papers.

(Pause here while Computershare personnel collects voting papers)

Close poll

As all voting cards have now been placed in a voting box, I declare the poll closed.

We will now take a short break for the results of the poll to be tallied.

(Return and announce results of poll provided by Computershare)

Accordingly, I declare the resolution [passed / not passed].

Additionally, and particularly for those of you who are unable to wait, the results will be advised to the ASX as soon as possible. This information will also be placed on Calliden's website.

[Only if resolution passed] I would like to congratulate Calliden Shareholders on this outcome. As a consequence of the resolution having been approved by the requisite majorities of Calliden Shareholders, and subject to the court approving the Scheme at the second court hearing on Thursday, 11 December 2014, the Scheme will become effective on Friday, 12 December 2014 and eligible Calliden Shareholders are expected to receive the Special Dividend on 19 December 2014 and the Scheme Consideration on 23 December 2014.

Ladies and Gentlemen, there being no further business, I declare the meeting closed and thank you for your attendance at the meeting.