

VIENTO GROUP

VIENTO GROUP LIMITED

ABN 79 000 714 054

NOTICE OF 2010 ANNUAL GENERAL MEETING EXPLANATORY MEMORANDUM AND PROXY FORM

DATE OF MEETING

30 November 2010

TIME OF MEETING

2.30 pm Melbourne Time

PLACE OF MEETING

Parkside Room 3, Bayview Eden Melbourne,
6 Queens Road, Melbourne, Victoria 3004

This Notice of Annual General Meeting and Explanatory Memorandum should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

NOTICE OF 2010 ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of Viento Group Limited ("**Company**") will be held at the Parkside Room 3, Bayview Eden Melbourne, 6 Queens Road, Melbourne, Victoria 3004 on Thursday, 30 November 2010 at 2.30 pm AEST ("**Meeting**").

The Explanatory Memorandum to this Notice of Annual General Meeting provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form comprise this Notice of Annual General Meeting.

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the financial report and the reports of the Directors and of the Auditor for the year ended 30 June 2010.

(See explanatory notes with regard to a shareholder's rights to submit written questions to the Auditor in connection with the Auditor's report or the conduct of the audit.)

2. RESOLUTION 1 - REMUNERATION REPORT

To consider and, if thought fit, to pass the following resolution as an **advisory only resolution**:

"The Remuneration Report for the financial year ended 30 June 2010 is adopted."

Note: The vote on this resolution is advisory only and does not bind the Directors or the Company.

(See explanatory notes on the reasons for the resolution on the Remuneration Report.)

3. RESOLUTION 2 – ELECTION OF DIRECTOR –GORDON YOUNG

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

"That Gordon Young, who was appointed as a Director in the course of the year (27 November 2009) and who, being eligible, offers himself for election in accordance with Rule 13.5 of the Constitution of the Company, be elected as a Director."

(See the explanatory notes for information on Gordon Young).

4. RESOLUTION 3 – PROPOSED MODIFICATIONS TO CONSTITUTION

To consider and if thought fit, pass the following resolution as a special resolution:

That pursuant to section 136 of the Corporations Act 2001 (Cth), the Constitution of the Company be modified by

- *deleting clause 22.3,*

(See the explanatory notes for details of the deletion and the reason for it.)

5. RESOLUTION 4 – DIVIDEND BY WAY OF AN IN-SPECIE DISTRIBUTION OF SHARES IN CONSTANCE RANGE PTY LTD

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

“Authorise the Directors to declare a dividend by distributing of all of the fully paid ordinary shares in Constance Range to the holders of ordinary shares of the Company on a one for one basis subject to the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”

(See the explanatory notes for information on this resolution).

6. RESOLUTION 5 – APPROVAL OF GRANT OF DIRECTOR OPTIONS TO ROB NICHEVICH

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

“That pursuant to and in accordance with Listing Rule 10.11 and section 208 of the Corporations Act and for all other purposes, the shareholders approve and authorise the grant of 750,000 director options to Rob Nichevich or his nominee on the terms and conditions set out in the Explanatory Memorandum.”:

(See the explanatory notes for information on this resolution).

VOTING EXCLUSION STATEMENT

The Company will disregard any votes cast on this resolution by Rob Nichevich, or any associate of Rob Nichevich. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction of the proxy form to vote as the proxy decides.

7. RESOLUTION 6 – APPROVAL OF GRANT OF DIRECTOR OPTIONS TO RAYMOND KING

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

“That pursuant to and in accordance with Listing Rule 10.11 and section 208 of the Corporations Act and for all other purposes, the shareholders approve and authorise the grant of 450,000 director options to Raymond King or his nominee on the terms and conditions set out in the Explanatory Memorandum.”:

(See the explanatory notes for information on this resolution).

VOTING EXCLUSION STATEMENT

The Company will disregard any votes cast on this resolution by Raymond King, or any associate of Raymond King. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction of the proxy form to vote as the proxy decides.

8. RESOLUTION 7 – APPROVAL OF GRANT OF DIRECTOR OPTIONS TO GORDON YOUNG

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

“That pursuant to and in accordance with Listing Rule 10.11 and section 208 of the Corporations Act and for all other purposes, the shareholders approve and authorise the grant of 450,000 director options to Gordon Young or his nominee on the terms and conditions set out in the Explanatory Memorandum.”:

(See the Explanatory Notes for information on this resolution).

VOTING EXCLUSION STATEMENT

The Company will disregard any votes cast on this resolution by Gordon Young, or any associate of Gordon Young. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction of the proxy form to vote as the proxy decides.

PROXIES

1. A member who is unable to attend and vote at the meeting may appoint a proxy by completing and returning the attached proxy form in the manner provided below. The proxy need not be a member of the Company.
2. 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, but where the proportion or number is not specified, each proxy may exercise half of the votes.
3. Forms to appoint proxies, and a power of attorney (if any) under which they are signed, must be lodged not less than 48 hours before the time of the Meeting as follows:
 - by hand:
Viento Group Limited
Level 3
11 Queens Road
Melbourne, Victoria 3004; or
 - by mail:
Viento Group Limited
Locked Bag 105
South Melbourne, Victoria 3205; or
 - by facsimile:
+61 3 9866 7029.
 - by email:
info@vientogroup.com

Proxy forms must be returned by 2.30 pm Melbourne time on Tuesday 16 November 2010 to be effective. Proxy forms received later than this time will be invalid.

CORPORATE REPRESENTATIVES

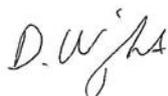
Any corporate member who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act 2001 (Cth) authorising him or her to act as that company's representative. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed.

ATTENDANCE AND VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered shareholders of the Company at 7.00 p.m. Melbourne time on Tuesday 16 November 2010.

To vote in person, attend the Meeting on the date and at the place set out in this Notice of Meeting and Explanatory Memorandum.

BY ORDER OF THE BOARD OF DIRECTORS



Damian Wright

COMPANY SECRETARY

15 October 2010

VIENTO GROUP LIMITED
ACN 000 714 054
EXPLANATORY MEMORANDUM

INTRODUCTION

This Explanatory Memorandum is intended to provide shareholders with sufficient information to assess the merits of the resolutions contained in the accompanying Notice of Annual General Meeting of the Company.

The Directors recommend shareholders read this Explanatory Memorandum in full before making any decision in relation to the resolutions.

ITEM 1: FINANCIAL STATEMENTS AND REPORTS

The Corporations Act 2001 (Cth) requires the financial report, Directors' report and Auditor's report for the last financial year be laid before the Annual General Meeting.

No resolution is required, but shareholders will be given the opportunity to ask questions and to make comments on the reports and the management and performance of the Company.

As required under section 250PA of the Corporations Act, at the Annual General Meeting, the Company will make available those questions directed to the Auditor and received by the Company by 11 November 2010, being questions which the Auditor considers relevant to the content of the Independent Auditor's Report or the conduct of the audit of the financial report. Every endeavour will be made during the Annual General Meeting to answer questions submitted by shareholders. However, depending upon the number and types of questions received, it may not be possible to respond to every submitted question, either at or after the Meeting.

To enable shareholders who cannot attend the Annual General Meeting to raise issues and to assist the board and the Auditor of the Company to respond to questions, please submit any questions in writing so that they are received by the Company no later than 23 November 2010.

The Company's 2010 Annual Report is available on the Company's website at www.vientogroup.com.

ITEM 2: RESOLUTION 1 - ADOPTION OF REMUNERATION REPORT

Section 298 of the Corporations Act 2001 (Cth) requires that the annual Directors report contain a Remuneration Report prepared in accordance with section 300A of the Corporations Act 2001 (Cth).

The Remuneration Report for the financial year ended 30 June 2010 is set out in Directors report section of the Company's annual report, which is available on the Company's web-site at www.vientogroup.com.

By way of summary, the Remuneration Report:

- (a) discusses the Company's policy and the process for determining the remuneration of its executive officers and Directors;
- (b) addresses the relationship between the remuneration of the Company's executive officers and the performance of the Company; and
- (c) sets out remuneration details for each Director and each of the executive officers of the Company named in the Remuneration Report for the financial year ended 30 June 2010.

Pursuant to section 250R(2) of the Corporations Act 2001 (Cth) listed companies must put a resolution to their shareholders that the Remuneration Report contained in the Annual Report be adopted.

Pursuant to section 250R(3), shareholders should note that the vote on the adoption of the Remuneration Report is advisory only and does not bind the Directors or the Company.

Following consideration of the Remuneration Report, the Chairman, in accordance with section 250SA of the Corporations Act, must give shareholders a reasonable opportunity to ask questions about, or make comments on the Remuneration Report.

Each Director recommends that shareholders vote in favour of the resolution to adopt the Remuneration Report for the year ended 30 June 2010.

ITEM 3: RESOLUTION 2 - ELECTION OF DIRECTOR, GORDON YOUNG

Pursuant to Rule 13.5 of the Company's Constitution and Listing Rule 14.4 a director appointed during the year must automatically retire at the next Annual General Meeting following their appointment. Directors so appointed are eligible for re-election.

Resolution 3 seeks approval for the election of Gordon Young who was appointed as a Director since the last Annual General Meeting. Accordingly, Gordon Young offers himself for election by shareholders at this meeting.

The qualifications, experience and other information about Gordon Young appears below:

Independent Non-Executive Director, age 49

Qualifications: Hons. B.Compt, CA

Gordon Young joined the Board of Viento Group Limited on 27 November 2009 as non-executive director. He has no other directorships in any other listed companies as at the reporting date or in the past three years.

Gordon Young has over 15 years experience in the commercial property market and is qualified as a chartered accountant. Previously, he was head of property at UniSuper Ltd. Prior, he was engaged at National Australia Bank as director, structured property finance for NAB Capital Pty Ltd and has held several other significant roles including the establishment of BellRock Investments Ltd, a funds management company managing listed and unlisted property investment vehicles, and heading up the funds management operations of Centro Group in its formative years.

Each Director of the Company, other than Gordon Young, having considered the performance of Gordon Young as a director and his skills, experience and knowledge, recommends that shareholders vote in favour of the resolution to elect Gordon Young as a Director of the Company.

ITEM 4: RESOLUTION 3 - PROPOSED AMENDMENTS TO CONSTITUTION

Background

Under the Corporations Act the constitution may only be modified by a special resolution of shareholders.

A special resolution is required to be passed by at least 75% of the votes cast by members entitled to vote on the resolution. The following is an explanation of the modifications of the constitution which are proposed:

Modification of the constitution as a result of changes to the Section 254T of the Corporations Act 2001 (Cth) relating to dividends

Section 254T of the Corporations Act was recently amended by replacing the requirement that dividends be paid out of company profits with a test based on balance sheet solvency. The new provisions of the Corporations Act allow companies to pay dividends if:

- the company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for payment of the dividend;
- the payment of the dividend is fair and reasonable to the company's shareholders as a whole; and
- the payment of the dividend does not materially prejudice the company's ability to pay its creditors.

The dividend provisions in the Company's constitution are currently based on the repealed provisions of the Corporations Act and state that dividends can only be paid out of profits.

Therefore, it is proposed to amend the constitution to make it consistent with the new provisions of the Corporations Act.

The Directors unanimously recommend that shareholders vote in favour of the resolution.

ITEM 5: RESOLUTION 4 - DISTRIBUTION OF SHARES IN CONSTANCE RANGE PTY LTD

Background

The Company focuses its activities on its funds management interests. To give effect to this, the Company proposes to restructure its assets through the divestment of its interest in Constance Range Pty Ltd iron ore assets to shareholders through a distribution.

Proposal

The proposed resolution is to confirm shareholder support for distributing the 70% equity owned by the Company to existing shareholders on a pro-rata basis, if the Company receives a suitable offer to purchase the asset. The proposal is to pay a dividend to shareholders by way of one new share in Constance Range for every one share in Viento Group Ltd. The value of the shares will be determined by the total value of the 70% holding divided by the number of shares proposed to be issued. Based on the valuation of the 70% of Constance Range in August 2009 of \$1.5 million and the issue of 1 share per each share held, the dividend value per share would be \$0.032.

Under the terms of such a dividend there would be a tax cost to investors on the dividend less the franking credits available of \$328,000. The dividend, based on the valuation of \$1.5 million would be 51% franked.

This proposal is a reduction of capital authorised under the new dividend provisions of Section 254T of the Corporations Act. * See ASX Listing Rules Appendix 6 Timetable on page 16.

The tax information above is general in nature and you should seek and rely on your own advice on the taxation consequences of the Section 254T dividend. Neither the Company nor any officers or consultants accept liability or responsibility for advice on taxation consequences for individual shareholders.

Purpose

The purpose of this exercise is to remove the asset from the books of the Company as it is not part of its core business.

The board is continually reviewing ways to extract value for shareholders from this asset. During the process of simplifying the balance sheet and delivering a return to shareholders for this asset we have identified the opportunity to make an in-specie distribution to shareholders.

In order to proceed with a disposal of the asset and create the opportunity for a return to shareholders, it is essential that we separate the Constance Range asset from the funds management business. This can only happen if a suitable offer for the asset is received.

If the separation is completed it is likely that funds will be raised to work on progressing the Constance Range iron ore development with parties external to the Viento.

In the interests of not delaying a disposal opportunity directors seek shareholder support for the in-specie distribution of shares in Constance Range should an opportunity materialise.

The issue to shareholders will be in an unlisted public company.

Shareholders should note that the vote on the adoption of Resolution 4 is advisory only and does not bind the Directors or the Company, and the final decision will be at their absolute discretion.

ITEM 6: RESOLUTION 5, 6 AND 7 – APPROVAL OF GRANT OF DIRECTOR OPTIONS TO ROB NICHEVICH, RAYMOND KING AND GORDON YOUNG

Background

Shareholders' approval is sought to grant 1,650,000 options to subscribe for ordinary shares in the Company to the Directors, for nil consideration.

- A first tranche (Tranche A) of 550,000 options with an exercise price of \$0.175 each and exercisable on or after 30 November 2010;
- A second tranche (Tranche B) of 550,000 options with an exercise price of \$0.225 each and exercisable on or after 1 July 2011; and
- A third tranche (Tranche C) of 550,000 options with an exercise price of \$0.30 each and exercisable on or after 1 July 2012 (Director Options).

All options will be unlisted and will expire on 30 June 2013.

Information Requirements under Listing Rule 10.11

For the purposes of Listing Rule 10.13, the following information is provided to shareholders:

- (a) the Director Options will be issued to the Directors or their respective nominees;
- (b) the number of Director Options to be issued is 1,650,000;
- (c) the Director Options will be issued on a date which will be no later than 1 month after the date of this Meeting, or such later date as approved by ASX;
- (d) the Director Options will be issued for no consideration;
- (e) the terms and conditions of the Director Options are set out in Annexure A to this Explanatory Memorandum; and
- (f) no funds will be raised by the issue of the Director Options.

If approval is given for the issue of the Director Options under Listing Rule 10.11 approval is not required under Listing Rule 7.1.

Corporations Act 2001 (Cth): Related Party Transactions

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

1. the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
2. prior shareholder approval is obtained to the giving of the financial benefit.

For the purposes of Chapter 2E, Directors are considered to be a related party of the Company.

Resolutions 5, 6 and 7 provide for the issue of options to Directors which constitutes a financial benefit to related parties and therefore requires shareholder approval.

Information Requirements under Chapter 2E

The Related Party

The 1,650,000 Director Options (the financial benefit) will be issued to Directors of the Company or their respective nominees within 1 month of the passing of this Resolution as follows:

Name of Related Party	Number of Options
Rob Nichevich	750,000
Raymond King	450,000
Gordon Young	450,000
Total	1,650,000

In the event that the Director Options are exercised, the following amounts will need to be paid to the Company:

Rob Nichevich	175,000
Raymond King	105,000
Gordon Young	105,000
Total	385,000

The Nature of the Financial Benefit

The proposed financial benefit to be given is the issue of Director Options for no consideration. The terms and conditions of the Director Options are set out in Annexure A to this explanatory memorandum.

Director's recommendation

Messrs King and Young (who have no interest in the outcome of Resolution 5) recommend that shareholders vote in favour of Resolution 5 because the grant of Director Options better aligns the interests of Rob Nichevich with those of other shareholders and provides him with an appropriate incentive for the future. Rob Nichevich declines to make a recommendation about Resolution 5 as he has a material personal interest in the outcome of the resolution as it relates to the proposed issue of Director Options to him individually or his nominee.

Messrs Nichevich and Young (who have no interest in the outcome of Resolution 6) recommend that shareholders vote in favour of Resolution 6 because the grant of Director Options better aligns the interests of Raymond King with those of other shareholders and provides him with an appropriate incentive for the future. Raymond King declines to make a recommendation about Resolution 6 as he has a material personal interest in the outcome of the resolution as it relates to the proposed issue of Director Options to him individually or his nominee.

Messrs Nichevich and King (who have no interest in the outcome of Resolution 7) recommend that shareholders vote in favour of Resolution 7 because the grant of Director Options better aligns the interests of Gordon Young with those of other shareholders and provides him with an appropriate incentive for the future. Gordon Young declines to make a recommendation about Resolution 7 as he has a material personal interest in the outcome of the resolution as it relates to the proposed issue of Director Options to him individually or his nominee.

Other information that is reasonably required by shareholders to make a decision and that is known to the Company or any of its Directors

- (i) The proposed Resolutions 5, 6 and 7 would have the effect of giving power to the Directors to issue a total of 1,650,000 Director Options on the terms and conditions as set out in Annexure A to this Explanatory Memorandum and as otherwise mentioned above. The Company currently has the following securities on issue:

Type of Security	Number of Securities
Shares	47,324,572
Options	970,000

(ii) Valuation of Director Options

An independent expert has valued the Director Options, using the Black & Scholes option valuation methodology. The valuation assumptions used by the independent expert are disclosed in the table below:

Variable	Input
Grant Date	30 November 2010
Spot Price	\$0.15
Exercise Price – Tranche A	\$0.175
Exercise Price – Tranche B	\$0.225
Exercise Price – Tranche C	\$0.30
Risk Free Rate	4.89%
Volatility	105%
Maturity Date	30 June 2013
Vesting Date – Tranche A	30 November 2010
Vesting Date – Tranche B	1 July 2011
Vesting Date – Tranche C	1 July 2012
Unlisted Option Discount	20%

Based on the variables and assumptions it is estimated that the value of the Director Options is:

Tranche	Value of Each Director Option	Total Number of Director Options	Total Value of Director Options
A	\$0.0715	550,000	\$39,325
B	\$0.0653	550,000	\$35,915
C	\$0.0581	550,000	\$31,955
TOTAL			\$107,195

- (iii) The issue of the Director Options is designed to encourage Directors' to have a greater involvement in the achievement of the Company's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through share ownership. Under the Company's current circumstances the Directors consider that the incentives represented by the issue of the Director Options are a cost effective and efficient reward and incentive for the Company, as opposed to alternative forms of incentive, such as the payment of additional cash compensation.

Shareholders should note that for the reasons noted above, it is proposed to issue the Options set out in this Explanatory Memorandum to Raymond King and Gordon Young, Non-Executive Directors, notwithstanding Box 8.2 "Guidelines for non-executive director remuneration" of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations with 2010 Amendments which note that non-executive directors should not receive options.

The number of Director Options to be issued and the timing of each tranche have been determined based upon a consideration of:

- The remuneration – the Directors wish to ensure that the remuneration offered is competitive with comparable market rates. The Directors have considered the proposed number of Director Options to be issued will ensure that the Directors overall remuneration is in line with comparable market rates; and
- The issue of the Director Options as an incentive to ensure continuity of service and to provide them with an appropriate incentive for the future.

The Directors have determined the exercise prices in light of the current share price, applied a suitable premium whilst mindful of providing an appropriate incentive to Directors.

- (iv) Dilution of existing Shareholders' interests. If the Director Options are issued as proposed and exercised, the effect would be to dilute the shareholding of existing shareholders.

Current Holdings

Director	Shares	Options
Rob Nichevich	10,860,000	Nil
Raymond King ¹	100,000	300,000
Gordon Young	50,000	Nil

¹ Raymond King's Director Options are held by the ALLDAN Super Fund a related party to Raymond King. All options are due to expire on 28 February 2011. 100,000 have an exercise price of \$0.85. 100,000 have an exercise price of \$1.00. 100,000 have an exercise price of \$1.15.

If all the options proposed to be issued pursuant to Resolutions 5, 6 and 7 were exercised the effect would be to dilute the shareholding of the existing shareholders by 3.4%.

- (v) Directors fee per annum (including superannuation) and the total financial benefit to be received by Directors in this current period as a result of the issue of the Director Options the subject of Resolution 2 are as follows:

Director	Base Fee p.a.	Value of Options*	Total Financial Benefit
Rob Nichevich	\$300,000	\$48,725	\$348,725
Raymond King	\$50,000	\$29,235	\$79,235
Gordon Young	\$50,000	\$29,235	\$79,235

* For accounting purposes, the Company is required to expense the value of the Director Options over the vesting period of the Director Options pursuant to AASB 2 "Share Based Payments", i.e. until 1 July 2012.

- (vi) The following table gives details of the highest, lowest and latest price of the Shares trading on ASX over the past 12 months ending on 21 October 2010:

Security	Highest Price (\$)	Date of Highest Price	Lowest Price (\$)	Date of Lowest Price	Latest Price on 21 October 2010 (\$)
Shares	0.22	18/01/10	0.10	23/11/09	0.15

- (vii) Under the Australian Equivalent of IFRS, the Company is required to expense the value of Director Options in its income statement over the vesting period of the Director Options. Other than as disclosed in this Explanatory Memorandum, the Directors do not consider that from an economic and commercial point of view, there are any costs or detriments including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in issuing the Director Options pursuant to Resolutions 5, 6 and 7.

- (viii) Neither the Directors nor the Company are aware of any other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by proposed Resolutions 5, 6 and 7.

GLOSSARY

AEST	means Australian Eastern Standard Time
ASX	means ASX Limited (ABN 98 008 624 691)
Board	means the Board of Directors of the Company
Company or Viento Group	means Viento Group Limited ABN 79 000 714 054
Corporations Act	means the Corporations Act 2001 (<i>Cth</i>)
Directors	means the directors of the Company
Director Option	means an option to subscribe for one share in the Company
Explanatory Memorandum	means the explanatory notes accompanying the Notice of Meeting prepared for the information of Shareholders in connection with the business to be transacted at the Annual General Meeting
IFRS	means the International Financial Reporting Standards
independent expert	means the author of the Option Valuation Report
Listing Rules	means the ASX Listing Rules
Notice of Meeting	means the notice of meeting which accompanies this Explanatory Memorandum
related party	has the meaning contained in section 228 of the Corporations Act
resolution	means a resolution proposed pursuant to the Notice of Meeting
shares	means a fully paid ordinary share in the capital of the Company
shareholder	means a holder of a share in the Company

ANNEXURE A

TERMS AND CONDITIONS OF DIRECTOR OPTIONS

1. Each Director Option will be issued for no consideration.
2. The Director Options are separated into three tranches and have various exercise prices and vesting dates as set out below:

Tranche	Exercise Price	Vesting Date	Expiry Date
1	\$0.175	30/11/10	30/06/13
2	\$0.225	01/07/11	30/06/13
3	\$0.30	01/07/12	30/06/13

3. Each Director Option entitles the Option holder ("**Option Holder**") to subscribe for and be allotted one fully paid ordinary share ("**Share**") in the capital of the Company at the exercise price for the Director Option.
4. The Director Options are exercisable on or after the relevant Exercise Date and prior to 24.00 AEST on the relevant Expiry Date ("**Exercise Period**") by the delivery to the registered office of the Company of a notice in writing ("**Exercise Notice**") stating the intention of the Option Holder to exercise all or a specified number of Director Options held by it and payment of the Exercise Price to the Company in immediately available funds. A Director Option not exercised before the Expiry Date will lapse. The Exercise Notice must be received by the Company during the relevant Exercise Period. An exercise of only some Director Options shall not affect the rights of the Option holder to the balance of the Director Options held by it. The Director Options must be exercised in multiples of 1,000, unless the Option Holder exercises all Director Options able to be exercised at that time.
5. The Director Options may only be exercised during the relevant Exercise Period and if a Director ceases to be a Director before the Director Options are vested then the option is cancelled.
6. If a Director ceases to be a Director after the vesting date of a Director Option then the Exercise Price must be paid within six (6) months of ceasing to be a director or the option will lapse.
7. The Director Options are not transferable and will not be listed for official quotation on the ASX.
8. The Company shall allot the Shares and deliver a statement of shareholdings with a holders' identification number within the time specified by the ASTC Settlement Rules.
9. Notwithstanding any other terms and conditions, all Director Options may be exercised:
 - (a) during a Bid Period;
 - (b) at any time after a Change in Control Event has occurred; or
 - (c) on an application under section 411 of the Corporations Act if a court orders a meeting to be held concerning a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other Company.
10. All shares issued upon exercise of the Director Options will rank pari passu in all respects with the Company's then issued shares except for any rights attaching to the shares by reference to a record date prior to the date of their issue.

11. The Company will apply for official quotation by ASX of all shares issued upon exercise of the Director Options.
12. There are no participating rights or entitlements inherent in the Director Options and the Option Holder will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Director Options unless the Director Options are first exercised in accordance with these terms and conditions. However, the Company will ensure that for the purpose of determining entitlement to any such issue, the books closing date will be at least seven (7) business days after the issue is announced. This will give the Option Holder the opportunity to exercise the Director Options prior to the date for determining entitlements to participate in any such issue.
13. Subject to paragraph 13, if the Company makes a bonus share issue, a rights issue or any other similar issue of rights of entitlement, there will be no adjustment to the exercise price, the number of Shares per Director Option or any other terms of the Director Options.
14. In the event of any reorganisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company prior to the Expiry Date, the rights of the Option Holder including the number of Director Options or the exercise price of the Director Options or both will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
15. In these terms and conditions:

“Bid Period” in relation to a takeover bid in respect of shares in the Company, means the period referred to in the definition of that expression in Section 9 of the Corporations Act provided that where a takeover bid is publicly announced prior to the service of a bidder’s statement on the Company in relation to that takeover bid, the Bid Period shall be deemed to have commenced at the time of the announcement;

“Change of Control Event” means a shareholder, or a group of associated shareholders, becoming entitled to sufficient shares in the Company to give it or them the ability and that ability is successfully exercised, in a general meeting, to replace all or a majority of the Board of the Company; and

“Corporations Act” means the Corporations Act 2001 (Cth).

Appendix 6:

Timetable for reorganisation of capital – no court approval

The following timetable is required under Appendix 6A to the ASX Listing Rules. The timetable may be subject to change because the Company requires a tax ruling from the Australian Taxation Office to proceed with the distribution.

The return of capital involves a distribution in specie of shares in Constance Range Pty Ltd and so the return of capital will not affect the details of changes in holdings in the Company.

(i) Event	(ii) (iii) Time limits	(iv) Business Day (v) Day
<p>Entity announces dividend (in the case of a trust, distribution) and record date. ⁺Securities quoted on a “cum” basis.</p> <p>Note: securities are quoted on an “ex” basis 4 business days before the record date (ie day 3). Status note: XD tag on.</p> <p>Cross reference: Appendices 4B, 4D and 4E. If a dividend or distribution will be paid for a half year or full year, the dividend announcement must be included in the half year report or preliminary final report.</p> <p>Notification of the following must be given at the same time as the announcement:</p> <ul style="list-style-type: none"> • a bonus share plan or dividend reinvestment plan that operates on the dividend or distribution, including whether any discount is available under the plan • the last election date for the dividend reinvestment plan • the period over which the dividend reinvestment plan share price will be determined • whether there is any foreign conduit income attributed to the dividend. 	<p>Approval will be sought from security holders at AGM on 30 November 2010</p>	<p>0</p>
<p>↓</p> <p>⁺Record date to identify ⁺security holders entitled to the dividend (distribution).</p>	<p>at least 7 ⁺business days after announcement of ⁺record date of 14 December 2010 (or later if the Company is delayed in obtaining the necessary tax ruling)</p>	<p>7</p>
<p>↓</p> <p>Date of dividend (distribution) payment. Status note: XD tag off.</p>	<p>any time after the ⁺record date</p>	
<p>↓</p>		

My/Our contact details in case of enquiries are:

Contact Name

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Contact Number

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Shareholders are entitled to appoint up to two (2) Proxies (whether shareholders or not) to attend the meeting and vote on their behalf.

If you wish to appoint two (2) Proxies, please phone Security Transfer Registrars on +61 8 9315 2333 to obtain your second proxy form. Both forms must be completed with the nominated amount (number/percentage) clearly printed on each of the forms. If you do not specify the nominated amount, each Proxy may exercise half of your voting rights.

PLEASE RETURN BOTH OF THE FORMS TOGETHER.

NOTES

1. Name and Address

This is the name and address on the Share Register of VIENTO GROUP LIMITED. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

2. Appointment of a Proxy

If you wish to appoint the Chairperson of the Meeting as your Proxy please mark 'X' in the box in Section A.

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a Shareholder of VIENTO GROUP LIMITED.

3. Directing your Proxy how to vote

To direct the Proxy how to vote place an 'X' in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

4. Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy an additional proxy form may be obtained by telephoning the Company's Share Registry (08) 9315 2333 or you may photocopy this form.

To appoint a second Proxy you must:

- On each of the first Proxy form and the second proxy form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- Return both forms in the same envelope.

5. Signing Instructions

Individual: where the holding is in one name, the Shareholder must sign.

Joint Holding: where the holding is in more than one name all of the Shareholders must sign.

Power of Attorney: to sign under Power of Attorney you must have already lodged this document with the Registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the Company has a sole Director who is also the sole Company Secretary this form must be signed by that person. If the Company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a sole Director may sign alone. Otherwise this form must be signed by a Director jointly with either another Director or Company Secretary. Please indicate the office held in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's Share Registry.

Lodgement of Proxy

This proxy form (and any power of attorney under which it is signed) must be received no later than 2.30 pm Melbourne time on Friday 26 November 2010 being 48 hours before the time for holding the meeting. Any proxy form received after that time will not be valid for the scheduled meeting. Please lodge the proxy form with the Company, you are encouraged to submit your proxy by mail or fax 03 9866 7029. The addresses of Company are as follows:

By mail: **Viento Group Limited
Locked Box 105
South Melbourne VIC 3205**

By Hand: Viento Group Limited
Level 3
11 Queens Road
Melbourne VIC 3004

By Fax: + 61 3 9866 7029