

## CHAIRMAN'S ADDRESS

# REDCAPE PROPERTY FUND SHARE SCHEME & TRUST SCHEME MEETING

Meeting Date: Friday 30 March 2012  
Meeting Time: 12 Noon.

# Opening

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## 1. Introduction

Good afternoon Ladies and Gentlemen and welcome to the Scheme Meetings of Redcape Property Fund.

Redcape Property Fund Limited (which I will call **the Company**), and

Redcape Property Trust (which I will call **the Trust**)

constitute the listed entity, Redcape Property Fund, (which I will call '**the Fund**' or '**Redcape**').

My name is Colin Henson and I am the Executive Chairman of the Fund and will be chairing the two meetings to be held today.

Those meetings are:

- the scheme meeting of shareholders of the Company (which I will refer to as the **Share Scheme Meeting**); and
- the scheme meeting of Unitholders of the Trust (which I will refer to as the **Trust Scheme Meeting**).

Joining me on the stage today are fellow directors of the Company.

I would like to introduce you to:

- Peter Armstrong, who is also the Managing Director of the Company and CEO of the Fund;
- David Charles, who is the Fund's CFO and Company Secretary ;
- Adam Thatcher – Independent Director;
- Greg Kern - Independent Director; and
- Mr Richard Barber- Independent Director

I also acknowledge the presence of Mr Ramesh Selva representing The Trust Company (RE Services) Limited the Responsible Entity ('RE') of the Trust.

Also present is Ms Angella Bregovac of Minter Ellison, Redcape's legal advisers.

The aim of the meetings is to seek the approval of the Fund's Securityholders to implement the proposal, as set out in the Scheme Booklet, which has been sent to Securityholders.

I will briefly comment on how I will conduct the meetings today. Firstly, I will make some remarks as Chairman of Redcape. I will then proceed to the Formal Business of the Company and then the Trust.

Before we commence, may I request that you ensure that your mobile phone is turned off.

## Background

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### 2. Background to the proposal

#### Ladies and Gentlemen,

When Redcape was formed and floated as a Property Trust on the Australian Securities Exchange in 2007, it was commonplace for Property Trusts to be highly leveraged. In hindsight, Redcape and other property Trusts went into the Global Financial Crisis too highly geared and suffered the obvious financial consequences when property values subsequently fell during 2008 and 2009. Many highly leveraged companies and trusts collapsed under the strain of the debts they were carrying.

I have stated on many occasions that the effect of the GFC on the Redcape Property Fund was devastating. The receivership and subsequent liquidation of companies associated with Redcape's Founder Mr Tom Hedley flowed over to Redcape causing it to breach bank covenants. Redcape's management worked closely with the Banking Syndicate and, although the Banking Syndicate had an opportunity to put Redcape into receivership at the time, it preferred to work with Redcape's management and agree to a new debt structure. This however, came with a crippling increase in bank charges and a requirement by the Banking Syndicate for Redcape to sell down its pubs to reduce debt.

Over the last 4 ½ years since the ASX Listing, Redcape's management has done a great job in maintaining acceptable returns for the underlying business. However despite these efforts, the costs associated with the debt structure, combined with continued deterioration in pub values has driven the Redcape Board and management toward seeking a significant corporate transaction in order to preserve some value for Stapled Security Holders.

### 3. Outline of the proposal from the Consortium

Although a number of possible transactions were considered during 2011, an Investor Group comprising affiliates of York Capital, Varde Partners Inc and Goldman Sach's (Asia) Finance acquired 39% of Redcape's Senior Debt. In this presentation, I will refer to them collectively as '**the Consortium**'.

In October 2011, the Consortium advised Redcape that it was in a position to make a Recapitalisation Proposal to Redcape. This Recapitalisation Proposal values Redcape at \$635million, to be effected pursuant to a share and unit Schemes of Arrangement. The Scheme Booklet was forwarded to all Stapled Securityholders with the Notices of Meeting for the Trust and the Company.

The main Elements of the proposed Schemes of Arrangement are that:

- a. the Consortium will acquire all of the existing issued Redcape Securities at a price of 2.59 cents per stapled Security.

- b. Securityholders can expect to receive payment on or around late April 2012;
- c. In order to recapitalise Redcape, the Consortium will subscribe for Units in Redcape by converting their current 39% share of Redcape's Senior Debt into equity;
- d. a new Bank Facility will be established; and
- e. consequently, part of the new capital subscribed by the Consortium, plus funds drawn down under a new bank facility will be used to make payments to Redcape's existing Secured Lenders in full and final satisfaction of all amounts owed by Redcape to them.

#### **4. The Reasons to approve the Schemes**

- a. Importantly, the Independent Expert's Report in the Scheme Booklet has concluded that, in the absence of a superior proposal, 'the acquisition of Securities by Consortium under the Schemes is fair and reasonable and in the best interests of Securityholders'.
- b. Also, your directors unanimously recommend that Securityholders vote in favour of the Schemes;
- c. On 11 October 2011 Redcape announced to the ASX that an event of default under the Redcape Finance Documents had occurred as a result of the appointment of Receivers and Administrators to National Leisure & Gaming Limited (a major tenant of Redcape). This event of default is subsisting and subject to the terms of Redcape's Finance Documents, entitles the Secured Lenders to accelerate the repayment of all outstanding Loan monies and enforce repayment. Redcape is accruing interest at penalty rates on the outstanding debt;
- d. If the Schemes are approved by the Securityholders and the Supreme Court, the Consortium recapitalisation of Redcape will avoid enforcement action being taken by the Secured Lenders as they will be paid an agreed sum and their debt will be discharged;
- e. If the Schemes do NOT proceed, then it is likely that the secured lenders will accelerate the repayment of their debt and take enforcement action to recover those monies. In that event, Redcape will not have a reasonable prospect of meeting its financial obligations as and when they fall due. If an Administrator or Receiver is appointed to Redcape for the purpose of conducting a sale of Redcape's assets to repay its outstanding debt of approximately \$745 million, given the uncertainties associated with asset values under a receivership and the requirement to repay Secured Lenders in full, it is unlikely that there would be any return for Securityholders.
- f. The secured lenders have provided a waiver for the purpose of implementing the Schemes, which waiver will expire if the Schemes are not implemented.

Any Questions?

#### **5. Business of the Scheme Meetings**

I will now formally move to the procedural part of today's Scheme Meetings.

- a. As you are aware, each Redcape security comprises one share in the Company and one unit in the Trust, stapled together. Accordingly, we are holding two meetings today, one in relation to the shares of the Company, and one in relation to the units of the Trust.
- b. I would like to remind Securityholders that the Schemes are conditional on:
  - i. all the resolutions to be considered at today's meetings being approved by the requisite majorities; and
  - ii. all the Conditions Precedent to the Schemes being satisfied. These conditions precedent are set out in Schedule 2 of the Scheme Booklet (on pages 133 and 134). All the conditions precedent will need to be satisfied before the schemes are approved by the New South Wales Supreme Court. Orders to that effect are scheduled to be sought from the Court at 9am on 3 April 2012.

However, as at today, we are aware that two conditions precedent under the Schemes have not been satisfied, which conditions relate to the proposed refinancing facility. Given that all the conditions precedent will likely not be satisfied by 9am on 3 April 2012, the matter will be part heard as the Court will not be able to make final orders on that day and a further court appearance will be scheduled in the near future, the details of which, including the revised timetable, will be announced.

- c. A degree of separation must be maintained between the two meetings, and I will ensure that there are opportunities for separate deliberation concerning the relevant resolutions during the two separate meetings.
- d. In conducting the meetings, I will be inviting discussion on each of the resolutions in the order which it appears in the relevant notice of meeting.
- e. Voting on the resolutions proposed at each meeting will be deferred until there has been an opportunity for discussion on all resolutions.
- f. I request that, if you have a question or comment which is specific to the Company or the Trust, you raise it during the relevant meeting for that entity.
- g. Anyone present who is not a Redcape Security holder is welcome to attend and listen but only **blue, green, yellow** or **red** card holders may speak. I will encourage an open exchange of views, but it is important that comments and questions remain to the point and respect the views of others.

**I will now outline the procedures which I intend to adopt for the two meetings:**

- i. The **first meeting** is the **Share Scheme Meeting** in respect of the Company, which has been convened in accordance with orders made by the Supreme Court of New South Wales on 24 February 2012 under section 411 of the Corporations Act 2001. This meeting is for all Redcape Securityholders to consider the resolutions contained in the Notice of the Company's Share Scheme Meeting.
- ii. After discussions have been completed for the Share Scheme Meeting, I will defer that meeting to later today, when separate polls will be taken (at the same time as each other) after the conclusion of discussions at the Trust Scheme Meeting.
- iii. The **second meeting**, which will follow the deferment of the Company's Share Scheme Meeting (ie after the conclusion of the discussions in the Share Scheme Meeting), is the **Trust Scheme Meeting**, which has been convened in accordance with the judicial advice of the Supreme Court of New South Wales on 24 February 2012 under section 63 of the Trustee Act 1925 (NSW). This meeting is for all the Redcape Securityholders to consider the resolutions contained in the Notice of Trust Scheme Meeting.
- iv. At the conclusion of discussions at the Trust meeting, I will re-convene the Company's Share Scheme Meeting and Trust Scheme Meeting and conduct a poll for each resolution put to the vote. Due to the significance of the resolutions, we will be conducting a poll for each of the resolutions, rather than voting by a show of hands.
- v. **Computershare Investor Services** is present today and Vanessa Mason will act as the returning officer in relation to the polls.
- vi. I will announce the results of the polls before the conclusion of each of the two meetings. It will take approximately 60 minutes for the results of the polls to become available. I will declare the results of the polls as soon as they are made available to me by Computershare.
- vii. If you are unable to remain here until the declaration of the results of the polls, the result of each poll will be announced to the Australian Securities Exchange and placed on Redcape's website later today.
- viii. Those Securityholders who are registered to vote should have received a blue voting card.
- ix. Proxyholders should have received a blue or yellow voting card.
- x. Non-voting attendees should have received a red or green non-voting card.
- xi. I note that each director who holds Redcape securities has voted in favour of all the resolutions and that proxies to that effect have been lodged with Computershare.

I now move to the first of the two meetings to be held today, namely the Share Scheme Meeting.

## 6. Company Share Scheme Meeting

I am advised by the Company Secretary that a quorum of shareholders of the Company is present in relation to the Company's Share Scheme Meeting.

Accordingly, I declare the Company's Share Scheme Meeting open. I extend a warm welcome to all of you, and thank you for joining us.

As Chairman of the Company, I will chair the meeting of the Company in accordance with its Constitution.

The Notice of Share Scheme Meeting was sent to Redcape Securityholders with the Scheme Booklet dated 24 February 2012. Copies of the Scheme Booklet incorporating the Notice of Share Scheme Meeting are available from the registration desk.

The purpose of the Share Scheme Meeting is for the Company's shareholders to consider, and if thought fit, pass the resolutions proposed in the Notice of Share Scheme Meeting. Each resolution is inter-conditional with each other and also with the resolutions proposed at the Trust Scheme Meeting.

**I will now move that the Notice of Share Scheme Meeting and each of the resolutions therein be taken as read.**

Could I have a seconder please?

Thank you.

Those in favour? (*Count hands*)

Against?

I declare the motion carried.

### **Resolution 1– Share Scheme Resolution**

The first resolution is a resolution, in accordance with section 411 of the Corporations Act, to approve the scheme of arrangement proposed between the Company and holders of its ordinary shares as described in the Scheme Booklet.

In accordance with the requirements of the Corporations Act, for Resolution 1 to be passed, it must be approved by a majority in number of shareholders voting (whether in person or by

proxy) at this meeting, who must together hold at least 75% of the votes cast on the resolution.

**I will now move that Resolution 1 be taken as read.**

Could I have a seconder please?

Thank you.

Those in favour? (*Count hands*)

Against?

I declare the motion carried.

As Resolution 1 has been proposed, I open the meeting to questions and discussion on Resolution 1. Just before we begin:

- a. I ask that any questions or comments be addressed to me as Chairman and, in that capacity, I will determine which, if any, of the Directors, other officers or advisers present at the meeting will be asked to respond.
- b. I should point out that, as this is a meeting of shareholders, only shareholders or persons in attendance as a proxy for a shareholder or a properly appointed attorney or representative of a shareholder or proxy are entitled to ask questions.
- c. I want to provide the opportunity for all shareholders or their authorised representatives to ask questions and to speak on the resolution under consideration if they wish to do so. I therefore ask anyone who wishes to speak to confine their remarks to the subject of the resolution and to use only a reasonable time to do so, which I suggest should be no more than 3 minutes.
- d. When rising to ask a question or to make a comment, please: show your:
  - blue Securityholder Admission Voting Card,
  - blue Proxy Admission Card or
  - red non-voting attendee card,
  - state your name and whether you are a Securityholder in your own right or whether you are attending as proxy for one or more Securityholders.

- Alternatively, if you are attending as a representative or attorney of a Securityholder or proxy, please state your name and the name of that Securityholder or proxy that you represent.
- Representatives from Computershare will provide you with a microphone once you are called on to ask a question.

Are there any discussion in relation to Resolution 1?

<Questions>

As there is no further discussion on the motion, I will close the discussion on that motion.

**The proxy position in respect of Resolution 1** is shown on the screen as follows:

|                              |             |
|------------------------------|-------------|
| <b>FOR</b>                   | 123,183,854 |
| <b>AGAINST</b>               | 3,807,153   |
| <b>ABSTAIN</b>               | 9,557       |
| <b>CHAIRMAN'S DISCRETION</b> | 2,820,403   |

I intend to vote the 2,820,403 Chairman's Discretionary Votes in favour of Resolution 1.

**I now put Resolution 1 to the Meeting.**

I will defer the taking of a poll until the conclusion of the discussion on each of the other resolutions to be voted on at this meeting and the Trust Scheme Meeting.

### **Resolution 2 - De-stapling Resolution**

Resolution 2 is a resolution to approve the de-stapling of the shares in the Company from the units in the Trust on the implementation date if the Schemes are approved.

In accordance with the terms of the Redcape Property Fund Constitution, Resolution 2 must be approved as a special resolution passed by more than 75% of the total number of votes cast on the resolution at the meeting (by person or proxy) by Shareholders entitled to vote on the resolution.

**I will now move that Resolution 2 be taken as read.**

Could I have a seconder please?

Thank you.

Those in favour? (*Count hands*)

Against?

I declare the motion carried.

**The proxy position in respect of Resolution 2** is shown on the screen as follows:

|                              |             |
|------------------------------|-------------|
| <b>FOR</b>                   | 123,181,096 |
| <b>AGAINST</b>               | 3,794,153   |
| <b>ABSTAIN</b>               | 9,557       |
| <b>CHAIRMAN'S DISCRETION</b> | 2,836,161   |

I intend to vote the 2,836,161 Chairman's Discretionary Votes in favour of Resolution 2.

Is there any discussion in relation to this Resolution?

<Questions>

As there is no further discussion on the motion, I will close the discussion on that motion.

**I now put Resolution 2 to the Meeting.**

I will defer the taking of a poll until the conclusion of discussion on each of the resolutions to be voted on at the Trust Scheme Meeting.

***The Company's Share Scheme meeting is now deferred.***

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## 7. Trust Share Scheme Meeting

I have been appointed by the Responsible Entity to chair a meeting of the Trust.

All questions in relation to the Trust shall be directed to me as Chairman and as the appointed authorised representative of the Responsible Entity.

The same procedure applies to questions and discussions, as applied in relation to the Share Scheme Meeting.

The Company Secretary of Redcape has informed me that a quorum of Unitholders is present in relation to the Trust Scheme Meeting. Accordingly, I declare the Trust Scheme Meeting open.

The Notice of Trust Scheme Meeting has been sent to Unitholders with the Scheme Booklet dated 24 February 2012. Copies of the Scheme Booklet incorporating the Notice of Trust Scheme Meeting are available from the registration desk.

**If there is no objection I will take the Notice of Trust Scheme Meeting as read? <Pause>**  
Thank you.

The purpose of the Trust Scheme Meeting is for Unitholders of the Trust to consider, and if thought fit, pass a resolution:

- a. to amend the constitution of the Trust to give effect to the Trust Scheme;
- b. to approve, for the purposes of section 611 item 7 of the Corporations Act, the acquisition of all units in the Trust by the Consortium;
- c. to approve the de-stapling of the stapled securities; and
- d. to approve the issue of units to Consortium BidTrust on completion of the Schemes.

All the resolutions are inter-conditional, including with those resolutions proposed at the Share Scheme meeting today.

### **Resolution 1 – Trust Deed Amendment Resolution**

I now move to Resolution 1 before the Trust Scheme Meeting. The purpose of this resolution is to amend the constitution of the Trust to give effect to the Trust Scheme.

**If there is no objection, I shall take Resolution 1 as read?** <pause> Thankyou.

For Resolution 1 to be passed, it must be approved as a special resolution passed by at least 75% of the total number of votes cast on the resolution at the meeting (by person or proxy) by Unitholders entitled to vote on the resolution

**The proxy position in respect of Resolution 1** is shown on the screen as follows:

|                              |             |
|------------------------------|-------------|
| <b>FOR</b>                   | 123,646,607 |
| <b>AGAINST</b>               | 4,206,442   |
| <b>ABSTAIN</b>               | 9,557       |
| <b>CHAIRMAN'S DISCRETION</b> | 2,883,491   |

I intend to vote the 2,883,491 Chairman's Discretionary Votes in favour of the Resolution.

**I will now move Resolution 1.**

Could I have I seconder please?...Thank you

Is there any discussion in relation to this Resolution?

**<questions>**

As there is no further discussion on the motion, I will close the discussion on that motion.

**I now put Resolution 1 to the Meeting.**

I will defer the taking of a poll until each of the Scheme Meetings are re-opened for the purposes of taking polls on each of the resolutions.

### **Resolution 2 – Acquisition Resolution**

I now move to Resolution 2 before the Trust Scheme Meeting. The purpose of this resolution is to approve, for the purposes of section 611 item 7 of the Corporations Act, the acquisition of all units in the Trust by Consortium BidTrust.

**If there is no objection, I shall take the resolution as read?** Thank you.

For Resolution 2 to be passed, it must be approved by at least 50% of the total number of votes cast on the resolution at the meeting (by person or proxy) by Unitholders entitled to vote on the resolution

**The proxy position in respect of Resolution 2** is shown on the screen as follows:

|                              |             |
|------------------------------|-------------|
| <b>FOR</b>                   | 123,646,607 |
| <b>AGAINST</b>               | 4,206,442   |
| <b>ABSTAIN</b>               | 9,557       |
| <b>CHAIRMAN'S DISCRETION</b> | 2,883,491   |

I intend to vote the 2,883,491 Chairman's Discretionary Votes in favour of the Resolution.

**I will now move Resolution 2.**

Could I have I seconder please?...Thank you

Is there any discussion in relation to this Resolution?

*<questions>*

As there is no further discussion on the motion, I will close the discussion on that motion.

**I now put Resolution 2 to the Meeting.**

I will defer the taking of a poll until each of the Scheme Meetings are re-opened for the purposes of taking polls on each of the resolutions.

### **Resolution 3 – De-stapling Resolution (Trust Scheme meeting)**

I now move to Resolution 3 before the Trust Scheme Meeting. The purpose of this resolution is to approve the de-stapling of the stapled securities.

**If there is no objection, I shall take the resolution as read?** Thank you.

For Resolution 3 to be passed, it must be approved by at least 75% of the total number of votes cast on the resolution at the meeting (by person or proxy) by Unitholders entitled to vote on the resolution

**The proxy position in respect of Resolution 3** is shown on the screen as follows:

|                              |             |
|------------------------------|-------------|
| <b>FOR</b>                   | 123,656,607 |
| <b>AGAINST</b>               | 4,196,442   |
| <b>ABSTAIN</b>               | 9,557       |
| <b>CHAIRMAN'S DISCRETION</b> | 2,883,491   |

I intend to vote the 2,883,491 Chairman's Discretionary Votes in favour of the Resolution.

**I will now move Resolution 3.**

Could I have I seconder please?...Thank you

Is there any discussion in relation to this Resolution?

**<questions>**

As there is no further discussion on the motion, I will close the discussion on that motion.

**I now put Resolution 3 to the Meeting.**

I will defer the taking of a poll until each of the Scheme Meetings are re-opened for the purposes of taking polls on each of the resolutions.

**Resolution 4 – Approval for issue of units to Consortium Bid Trust (Trust Scheme meeting)**

I now move to Resolution 4 before the Trust Scheme Meeting. The purpose of this resolution is to approve the issue of units to Consortium BidTrust on completion of the Schemes.

**If there is no objection, I shall take the resolution as read? Thankyou.**

For Resolution 4 to be passed, it must be approved by at least 50% of the total number of votes cast on the resolution at the meeting (by person or proxy) by Unitholders entitled to vote on the resolution

The proxy position in respect of Resolution 4 is shown on the screen as follows:

|                              |             |
|------------------------------|-------------|
| <b>FOR</b>                   | 123,643,607 |
| <b>AGAINST</b>               | 4,209,442   |
| <b>ABSTAIN</b>               | 9,557       |
| <b>CHAIRMAN'S DISCRETION</b> | 2,883,491   |

I intend to vote the 2,883,491 Chairman's Discretionary Votes in favour of the Resolution.

**I will now move Resolution 4.**

Could I have I seconder please?...Thank you

Is there any discussion in relation to this Resolution?

**<questions>**

As there is no further discussion on the motion, I will close the discussion on that motion.

**I now put Resolution 4 to the Meeting.**

I will defer the taking of a poll until each of the Scheme Meetings are re-opened for the purposes of taking polls on each of the resolutions.

***The Trust Scheme meeting is now deferred.***

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## 8. Polls on all resolutions

**I now re-open each of the Scheme Meetings and direct that a poll be taken on each of the resolutions.**

As indicated, in view of the importance of the resolutions to be considered today, I intend that the vote will be taken on a poll rather than on a show of hands.

The resolutions before the meetings are in the Notice of Share Scheme Meeting and Notice of Trust Scheme Meeting in the Scheme Booklet.

**I will now explain the poll procedure.**

All eligible voters should be holding a yellow or blue coloured voting card.

We will use those cards as a ballot paper for the polls which are about to be conducted in relation to the resolutions proposed by the Share Scheme and Trust Scheme.

If you have previously provided a proxy, but you or your corporate representative is attending today's Meetings in person, your proxy in relation to any of the Scheme Meetings will be cancelled if you or your corporate representative casts a vote at the relevant Scheme Meeting.

I will call upon Vanessa Mason of Computershare Investor Services Pty Ltd, who has examined and prepared summaries of the proxy forms received, to act as returning officer and determine the results of the polls.

The Polls will be held in an adjacent Meeting Room in the offices of Redcape Property Fund.

If there is any person present who believes they are entitled to vote but has not registered to vote, would you please raise your hand and a member of Computershare staff will assist you.

Please now complete your voting cards and note the following general instructions:

- only Securityholders, proxy holders or duly appointed attorneys or company representatives are entitled to vote;
- those holding green or red non-voting cards or white visitor's cards are not entitled to vote;
- if you are voting your own securities as well as the securities of one or more other Securityholders as their proxy or representative, you should have:
  - one yellow or blue voting card for your own securities; and
  - one yellow or blue voting card in relation to your role as proxy holder;
- as a proxy holder, if you hold directed proxies - that is, the person who appointed you has instructed you how to vote on his or her behalf simply by depositing the relevant

voting card, you will be regarded as having voted in accordance with those instructions. The 'for' and 'against' boxes will only be used to record open or discretionary votes – that is, where the appointing Securityholders did not direct you how to vote on the relevant resolution;

- if anyone feels that he or she is entitled to vote and does not have a yellow or blue voting card would you please go to the registration desk now and request the necessary card.

Please raise your hand if you require a pen.

Please complete your voting cards now.

Remember to print your name then sign the card, where indicated.

Then place your admission & voting card in the ballot boxes which will be circulated by Computershare staff.

I now ask you to cast your votes.

If you need any assistance, please ask a Computershare member of staff.

***Chairman to complete voting cards as well - registrar's staff hand out any additional cards that are required, pencils etc, and commence collecting completed voting cards.***

***<time to complete voting cards>***

Has everyone voted?

Please place your completed voting cards in the ballot boxes being circulated by Computershare staff.

***<depending on the number of Securityholders present, approximately 5-10 minutes. chairman consults with Registrar, then asks: >***

Has everyone placed their voting cards in the ballot box?

***<Pause>*** Thankyou.

**I now declare the polls on the resolutions before the Share Scheme Meeting and Trust Scheme Meeting closed to determine the results.**

As previously mentioned, to allow counting to take place, I propose to defer the Share Scheme Meeting and Trust Scheme Meeting for 60 minutes.

I will then be in a position to re-open the Share Scheme Meeting and the Trust Scheme Meeting and announce the results of all polls.

Thank you for your patience.

I will now ask the returning officer to count the votes.

***The Share Scheme Meeting and Trust Scheme Meeting are deferred.***

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## 9. Share Scheme Meeting (re-opened)

Ladies and gentlemen, I will now **re-open the Company Share Scheme Meeting**.

All votes have now been counted.

The results of the vote on **Resolution 1** before the **Share Scheme Meeting** are shown on the screen as follows:

|        | Total | For | Against | Abstain | % For | Minimum Required |
|--------|-------|-----|---------|---------|-------|------------------|
| Votes  |       |     |         |         |       | 75%              |
| Voters |       |     |         |         |       | 50%              |

Accordingly, I declare Resolution 1 passed.

The results of the vote on **Resolution 2** before the **Share Scheme Meeting** are as follows:

|       | Total | For | Against | Abstain | % For | Minimum Required |
|-------|-------|-----|---------|---------|-------|------------------|
| Votes |       |     |         |         |       | more than 75%    |

Accordingly, I declare Resolution 2 passed.

That concludes the Share Scheme Meeting and I will now re-open the Trust Scheme Meeting.

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## 10. Trust Scheme Meeting (re-opened)

Ladies and gentlemen, I will now **re-open the Trust Scheme Meeting**.

All votes have now been counted.

The results of the vote on the **Resolutions before the Trust Scheme Meeting** are as follows:

| Resolution   | Total | For | Against | Abstain | % For | Minimum Required |
|--------------|-------|-----|---------|---------|-------|------------------|
| Resolution 1 |       |     |         |         |       | 75%              |
| Resolution 2 |       |     |         |         |       | 50%              |
| Resolution 3 |       |     |         |         |       | 75%              |
| Resolution 4 |       |     |         |         |       | 50%              |

Accordingly, I declare all the resolutions passed.

***That concludes the Trust Scheme Meeting.***

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## 11. Conclusion

As Securityholders have passed all the resolutions today, the remaining outstanding conditions precedent need to be satisfied in order for the Schemes to become effective. The list of conditions are set out in Schedule 2 of the Scheme Booklet (on pages 133 and 134).

One of these conditions includes obtaining approval from the Supreme Court of New South Wales for the Share Scheme and the provision of judicial advice confirming the implementation of the Trust Scheme. However, these Court orders will not be given until all other conditions precedent are either satisfied or waived.

Orders from the New South Wales Supreme Court to that effect are scheduled to be sought at 9am on 3 April 2012. However, as at today, we are aware that two conditions precedent under the Schemes have not been satisfied, which conditions relate to the proposed refinancing facility. Given that all the conditions precedent will likely not be satisfied by 9am on 3 April 2012, the matter will be part heard as the Court will not be able to make final orders on that day and a further court appearance will be scheduled in the near future, the details of which, including the revised timetable, will be announced.

If there is anyone who wishes to appear at that application, or to make an objection, the Supreme Court is located at Queen's Square, at the corner of King and Phillip Streets, Sydney.

An announcement will be made to the Australian Securities Exchange after the Court has ruled.

### **Final Comments**

On behalf of the Board I thank all Stapled Securityholders for their understanding and support through what has been a very difficult period.

Before I formally close the Meeting I would like on your behalf to thank the Management Team of Redcape led by our CEO Mr Peter Armstrong for their untiring efforts in managing the business and reaching a solution for Redcape.

I also thank my fellow directors Greg Kern, Richard Barber and Adam Thatcher for their efforts throughout the entire process.

**I now declare the meeting closed.**

Please join us for refreshments in the foyer outside this room.