

TOLHURST GROUP LIMITED

ACN 007 870 760

NOTICE OF MEETING

incorporating

EXPLANATORY STATEMENT

and

PROXY FORM

Date of meeting: Friday, 27 March 2009

Time of meeting: 10:00am (Melbourne time)

Place of meeting: Level 15, 333 Collins Street, Melbourne 3000

TOLHURST GROUP LIMITED

ACN 007 870 760

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that a meeting of shareholders of Tolhurst Group Limited will be held at the Boardroom, Level 15, 333 Collins Street, Melbourne, Victoria at 10:00am (Melbourne time) on Friday, 27 March 2009.

The Explanatory Statement accompanying this Notice of Meeting forms part of this Notice.

Defined terms used in this Notice of Meeting have the meanings given to them in the Glossary accompanying this Notice.

AGENDA

Resolution 1 – Approval of Proposed Transaction

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to the passing of Resolution 2 and Resolution 3, for the purposes of ASX Listing Rule 11.2 and for all other purposes, approval is given for the disposal of the Broking Business, on the terms and conditions set out in the accompanying Explanatory Statement.”

Resolution 2 – Issue of options in connection with the Proposed Transaction

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, subject to the passing of Resolution 1 and Resolution 3, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue to Patersons Securities Limited ACN 008 896 311 or its nominees 25,222,172 TGL Options exercisable at \$0.075, on the terms and conditions set out in the accompanying Explanatory Statement.”

Resolution 3 – Change of Company name

To consider and, if thought fit, to pass with or without amendment, the following resolution as a **special resolution**:

“That, subject to Completion of the Proposed Transaction, pursuant to section 157(1) of the Corporations Act and for all other purposes, the Company change its name from Tolhurst Group Limited to Robe Australia Limited.”

OTHER BUSINESS

To deal with any other business that may be brought forward in accordance with the Constitution and the Corporations Act.

VOTING EXCLUSION STATEMENT

In accordance with the ASX Listing Rules, the Company will disregard any votes cast on:

- Resolution 1 by Patersons and any other person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and their respective associates; and

- Resolution 2 by Patersons and any other person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and their respective associates.

However, the Company need not disregard a vote if:

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

BY ORDER OF THE BOARD

A handwritten signature in blue ink, appearing to read 'David Fotheringham', written in a cursive style.

David Fotheringham

Company Secretary

Dated: 25 February 2009

NOTES REGARDING PROXIES AND VOTING

Proxies

Shareholders entitled to attend and vote at the Meeting are entitled to appoint a proxy. The proxy may be an individual or a body corporate.

A Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointment does not specify the proportion or number of the Shareholder's votes such proxy may exercise, each proxy may exercise half of the votes disregarding fractions.

For an appointment of proxy to be valid, the form appointing the proxy and, if the form is signed under a power of attorney or other authority, the authority under which the form is signed (or a certified copy of the authority) must be received at or sent by facsimile transmission to the registered office of the Company at Level 15, 333 Collins Street Melbourne, Victoria, 3000 or facsimile number (+61 3) 9655 7250, at least 48 hours prior to the meeting or adjourned meeting, as the case may be, at which the proxy named in the proxy form proposes to vote.

A proxy must be signed by the Shareholder or the Shareholder's attorney duly authorised in writing or, if the Shareholder is a company, in a manner permitted by the Corporations Act. The proxy may, but need not, be a Shareholder of the Company.

A proxy form accompanies this Notice of Meeting. Additional proxy forms are available on request from the registered office of the Company or its share registrar.

Bodies Corporate

A body corporate may appoint an individual as a representative to exercise all or any of the powers the body corporate may exercise at meetings of the Shareholders or in the capacity of the Shareholder's proxy. The appointment may be a standing one. Unless otherwise specified in the appointment, the representative may exercise, on that body corporate's behalf, all of the powers that the body could exercise at a meeting or in voting on a resolution.

Voting Entitlement

For the purposes of determining entitlement to vote at the meeting, the Shares will be taken to be held by the people registered as holders at 7:00 pm (Melbourne time) on 25 March 2009. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

TOLHURST GROUP LIMITED
ACN 007 870 760
EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in Tolhurst Group Limited (**Company** or **TGL**) in connection with the business to be considered at the Meeting of Shareholders to be held at Level 15, 333 Collins Street, Melbourne, Victoria, 3000 on Friday, 27 March 2009 at 10:00am (Melbourne time).

This Explanatory Statement forms part of the accompanying Notice of Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with information which may be relevant to the resolutions to be put to Shareholders at the Meeting.

1. APPROVAL OF THE PROPOSED TRANSACTION

1.1 Background

The recent collapse of global credit markets has impacted significantly upon the Australian financial services sector. The Company, along with many other ASX participants and other financial service businesses, has not been immune from this international crisis and has suffered substantial reductions in revenue during this period. As the Company has been unable to substantially reduce its overhead costs during this period, it has incurred and expects, at least in the near term, to continue incurring, substantial losses which make its Broking Business unsustainable.

In light of the current economic situation and in recognition of the Company's recent financial performance, the Company announced on 19 December 2008 that it was undertaking a number of initiatives to address the long term sustainability of its businesses. In particular, a key priority for the Company was to actively pursue opportunities for strategic alliances.

As a result, the Company is currently pursuing the following transactions:

- a merger of the broking businesses conducted by Tolhurst Ltd (**Tolhurst**), a wholly owned subsidiary of the Company, and Patersons Securities Limited (**Patersons**) by way of a sale of Tolhurst's Broking Business to Patersons in return for Patersons shares (**Proposed Transaction**);
- the sale of the Company's wholly owned subsidiary, Community & Corporate Financial Services Pty Ltd (**ComCorp**), or all of the assets comprising the wealth management business conducted by Comcorp; and
- the management buyout of a majority stake in Tolhurst Interfinancial Limited (**TIFL**), which now conducts a merger and acquisition advisory business based in Brisbane.

The purpose of the Meeting is to obtain Shareholder approval for the Proposed Transaction. Shareholder approval is not required for the Comcorp sale or the TIFL management buyout.

1.2 Overview of the Proposed Transaction

On 27 January 2009, the Company announced an in-principle agreement had been reached with Patersons in relation to the Proposed Transaction. If it proceeds, the merger would be effected through the sale by Tolhurst of the Broking Business to Patersons in consideration for the issue of Patersons securities to the Company.

As the Broking Business is the main business conducted by the Company and its subsidiaries, Shareholder approval is required for the Proposed Transaction under the ASX Listing Rules.

The Proposed Transaction will be conditional upon, among other things, Shareholders (who are entitled to vote) approving:

- by ordinary resolution, the disposal of the Broking Business (**Resolution 1**);
- by ordinary resolution, the issue of TGL Options to Patersons (**Resolution 2**); and
- by special resolution, the change of the Company's name to Robe Australia Limited (**Resolution 3**).

The Proposed Transaction will not proceed unless the Company's shareholders approve Resolution 1, Resolution 2 and Resolution 3. Please refer to section 1.6 for further information regarding each of these resolutions.

1.3 Details of Proposed Transaction

The Company is confident that it will enter into a business sale agreement with Patersons in relation to the Proposed Transaction (**Business Sale Agreement**) on terms consistent with those outlined below, and that the Business Sale Agreement will be entered into by those parties prior to the Meeting.

The key terms of the Business Sale Agreement are as follows:

- Completion of the Proposed Transaction will be subject to and conditional upon the satisfaction of the agreed conditions precedent, principally:
 - an agreed proportion of Tolhurst advisors accepting positions with Patersons following completion of the Proposed Transaction;
 - agreement being reached with various lessors to the novation or assignment of certain property leases to Patersons on terms and conditions reasonably acceptable to Company and Patersons;
 - the Company and Patersons obtain the approval of their respective shareholders as necessary to allow the Proposed Transaction to proceed;
 - Patersons obtaining ASX approval of the transfer of the clients of the Broking Business to Patersons; and
 - agreement being reached with various parties who provide contracted client advisory services to Tolhurst to the novation or assignment of those arrangements to Patersons on terms acceptable to the Patersons, the Company and the counterparties to those arrangements.
- The purchase price for the Broking Business will be calculated based on the value of the assets (principally plant and equipment) and liabilities (principally certain lease and employee liabilities) being transferred by Tolhurst at Completion.
- The purchase price will be satisfied by the issue of Patersons shares (**Consideration Shares**) to the Company. Due to further deterioration in trading conditions, the Company now expects that the purchase price will be in the range of \$5 to \$6 million rather than between \$6 and \$7 million as previously announced. The issue price of the Consideration Shares is to be calculated as the net asset value of Patersons as at 28 February 2009 divided by the number of shares on issue as at that date. The parties

expect that the issue price for the Consideration Shares will be approximately \$0.573 per Share and that, accordingly, the Company will receive between 8,726,003 and 10,471,204 Consideration Shares. Based on the number of Patersons shares on issue as at the date of this Notice, being 63,583,242, this will equate to a proportional holding of between 13.7% and 16.5% in Patersons.

- In addition to the Consideration Shares issued by Patersons for the acquisition of the Broking Business, the parties agreed that the Company will have the opportunity to subscribe for further shares (**Subscription Shares**) in Patersons to allow it to increase its shareholding in Patersons to up to 31%. However, this entitlement may be reduced depending on the proportion of Tolhurst Advisors that accept positions with Patersons as part of the Proposed Transaction.
- The Company will be entitled to Subscription Shares at Completion at an issue price equal to the issue price for the Consideration Shares.
- To the extent that the Company does not subscribe for the Subscription Shares at Completion, Patersons will grant the Company options to acquire the same number of shares (**PSL Options**). Broadly, the terms of those options will be as follows:
 - the options expire at 5pm on 31 July 2009 or if there is an insolvency event or change of control event in respect of the Company. In broad terms, a change of control event for these purposes will arise if:
 - a person other than Macquarie Group Limited or Daptha Pty Ltd acquires a relevant interest in more than 20% of the voting shares of the Company;
 - a person becomes able to control the Board of the Company; or
 - a takeover bid is made for the Company;
 - the exercise price of the PSL Options will be the higher of the amount calculated by dividing the net asset value of Patersons by the number of Patersons shares on issue as at the date of exercise at the end of the month before the exercise of the PSL Options and the price of the Consideration Shares; and
 - the PSL Options will only be transferrable to Tolhurst Advisors or Tolhurst employees who accept positions with Patersons.
- As it is a condition precedent that a certain proportion of Tolhurst Advisors accept positions with Patersons and the Company's entitlement to subscribe for Patersons shares will be reduced if Tolhurst Advisors do not accept positions with Patersons, the Company has elected to forgo its entitlement to subscribe for up to 4 million Patersons shares on the condition that Patersons offer those shares to Tolhurst Advisors or employees who accept a position with Patersons. If any of those shares are not taken up by Tolhurst Advisors or employees, the entitlement to subscribe for those shares will revert to Tolhurst in the form of PSL Options.
- As part of the Proposed Transaction, the Company has agreed to grant Patersons call options to acquire 25,222,172 Shares (**TGL Options**). These options will have no issue price, an exercise price of \$0.075 and expire 24 months after Completion. For further information on the TGL Options, please refer to section 1.7.
- The Company has agreed with Patersons that it will not engage in a competing business for a period of 12 months from the Completion Date or dispose of its shares for a period of 6 months from the Completion Date.

- The Company has agreed to change its name and the name of each of its subsidiaries to a name not including “Tolhurst” or “William Noall”. For a period of not less than 12 months after the Completion Date, Patersons will use the words “Patersons Securities Limited (incorporating Tolhurst and William Noall stockbroking)”.
- The Company has agreed to pay a break fee to Patersons to compensate it for its costs in pursuing the Proposed Transaction if the Proposed Transaction is not approved by Shareholders. The break fee is the sum of:
 - \$50,000; and
 - an amount equal to one half of the direct costs incurred by Patersons in preparing and posting to clients any materials necessary to effect the transfer of clients to Patersons as part of the Proposed Transaction.

The Company has the option of satisfying this break fee by the issue of Shares to Patersons.

- The Company will be entitled to appoint a director to the board of Patersons for so long as it holds at least 15% of Patersons shares.
- Both the Company and Patersons have given appropriate warranties as part of the Proposed Transaction.
- It is anticipated that the Proposed Transaction will complete on 27 March 2009.

1.4 Effect of the Transaction

If approved by Shareholders, the merger will create one of Australia’s largest full service retail stockbroking businesses. The new, merged organisation will have more than 400 employees, 370,000 clients and will rank in the top 20 Australian stockbrokers by the measure of market turnover. The merged business will have one of the largest advisory networks in Australia, with significant presence in all major capital city markets and a number of dynamic regional centres.

If the Proposed Transaction proceeds, the Company and Patersons expect that the combined revenues of the broking businesses for the first half of this calendar year will be approximately \$53 million. On an annualised basis, this implies full year revenues for the combined broking businesses of \$106 million for the calendar year ending 31 December 2009 compared to aggregate revenue of \$162 million for the combined broking businesses in the financial year ending 30 June 2008. With the benefit of rationalisation and the cost savings flowing from the merger, the Company and Patersons expect that the revenue of the combined broking businesses will be sufficient to generate profitability broadly equivalent to their peers. The current volatility in the economic climate makes it impossible for either the Company or Patersons to assure shareholders that the revenue forecasts will be met or to be more specific about expected profit levels at this stage.

Patersons' net assets are currently around \$36.4 million with no debt. The value of its net assets is expected to expand initially by the addition of the Broking Business, being an amount equivalent to the purchase price of approximately \$5 to \$6 million. The value of the net assets will expand further if the Company or Tolhurst Advisors or employees subscribe for additional Patersons shares in connection with the Proposed Transaction. If subscriptions were received equal to the Company's full subscription entitlement of 31% of Patersons shares, then the proceeds from these subscriptions would increase Patersons' net assets to around \$53 million. Further, a significant proportion of these net assets (around \$30 million if there are no subscriptions beyond the purchase price for the Broking Business and in excess of \$45 million if subscriptions were received for the Company's full

subscription entitlement of 31% of Patersons shares) would comprise cash, receivables or other liquid assets.

For further information on Patersons, you can find its annual report for the financial year ending on 30 June 2008 on Tolhurst's website at www.tolhurst.com.au.

As outlined above, if Proposed Transaction proceeds, the Company will have the opportunity to subscribe for up to 31% of total issued capital of Patersons (calculated based on the issued capital of Patersons as at the Completion Date). Part of this subscription will be in the form of Consideration Shares but the balance of any subscriptions will need to be funded from the remaining cash reserves of the Company. The Company is considering its options in relation to a capital raising to fund further acquisitions of Patersons shares, but no decision has been made at this stage whether to proceed with a capital raising or what form a raising might take.

If the Proposed Transaction proceeds, but there is no additional capital raising, the Company expects to end up with approximately a 15% holding in Patersons. This will be the Company's principal asset once the sale of ComCorp and the management buyout of TIFL are completed. However, subject to reaching agreement with Patersons to allow the Company to be provided with the information necessary for it to satisfy its continuous disclosure obligations under the ASX Listing Rules, the Directors propose to maintain Tolhurst's ASX Listing and to seek other opportunities to acquire businesses or investments in the financial sector.

The table below sets out the consolidated balance sheet for the Company and its subsidiaries as at 31 December 2008 and a pro-forma balance sheet for the Company and its subsidiaries as at 31 December 2008 on the basis that the Proposed Transaction was completed on that date.

Consolidated Balance Sheet and Pro Forma Consolidated Balance Sheet for TGL Group

	31 Dec 08	Adjustment due to Proposed Transaction	Proforma
	Unaudited	Unaudited	Unaudited
	\$	\$	\$
CURRENT ASSETS			
Cash and cash equivalents	16,369,991	(3,687,179)	12,682,812
Trade and other receivables	25,032,971	(1,500,000)	23,532,971
Other current assets	1,721,676	-	1,721,676
Financial assets	148,574	-	148,574
TOTAL CURRENT ASSETS	43,273,212	(5,187,179)	38,086,033
NON-CURRENT ASSETS			
Financial assets	1,235,702	5,246,453	6,482,155
Investments accounted for using the equity method	-	-	-
Property, plant and equipment	5,131,100	(4,462,077)	669,023
Intangible assets	9,634,820	-	9,634,820
Deferred tax assets	1,040,325	-	1,040,325
Other non-current assets	64,968	-	64,968
TOTAL NON-CURRENT ASSETS	17,106,916	784,376	17,891,292
TOTAL ASSETS	60,380,128	(4,402,803)	55,977,325

CURRENT LIABILITIES			
Trade and other payables	35,961,332	(1,007,661)	34,953,671
Financial liabilities	10,958,000	(1,779,028)	9,178,972
Current tax liabilities	(2,273,908)	-	(2,273,908)
TOTAL CURRENT LIABILITIES	44,645,423	(2,786,689)	41,858,734
NON-CURRENT LIABILITIES			
Financial liabilities	1,585,629	(1,569,752)	15,877
Deferred tax liabilities	2,825,049		2,825,049
Long-term provisions	438,149	(46,362)	391,787
TOTAL NON-CURRENT LIABILITIES	4,848,827	(1,616,114)	3,232,713
TOTAL LIABILITIES	49,494,250	(4,402,803)	45,091,447
NET ASSETS	10,885,878	-	10,885,878
EQUITY			
Issued capital	50,904,028	-	50,904,028
Accumulated losses	(41,784,279)	-	(41,784,279)
Reserves	1,766,129	-	1,766,129
TOTAL EQUITY	10,885,878	-	10,885,878

Shareholders should be aware that the pro forma balance sheet has not been adjusted to account for movements in assets flowing from the losses suffered by the Company in the first part of this calendar year.

As previously announced, while the purchase price for ComCorp has not yet been finally agreed, it is expected that the proceeds from the sale will be sufficient to largely retire the Company's bank debt and will be used for this purpose.

1.5 What if the Proposed Transaction does not proceed?

The Company's Broking Business made a loss in the order of \$5.7 million for the period from 1 July 2008 to 31 December 2008, and the Broking Business has continued to suffer further losses over the first part of this year.

In light of the current economic climate, the Directors have advised that they are not able to accurately forecast the earnings of the Broking Business for the remainder of the current financial year, or for subsequent periods. However, the Company has advised that, if the low trading volumes and prices continue, the Broking Business will not be profitable in the short-term.

Based on the losses suffered to date, and the fact that an improvement in trading conditions is not likely in the near term, it is the Directors' opinion that the Broking Business is not sustainable as a stand alone business. Accordingly, if the Proposed Transaction does not proceed, the Company may seek to negotiate with parties other than Patersons to merge or acquire the Broking Business. However, the Company has already engaged in a thorough examination of potential opportunities and, while the purchase price expected by the Company for the Broking Business, estimated to be in the range of \$5 million to \$6 million, is not reflective of the strong financial position of the business during 2007 and 2008, the Board has concluded that the Proposed Transaction offers Shareholders the best

opportunity to realise value from the Broking Business. Accordingly, the Directors are not confident of being able to reach agreement on better or even acceptable terms with other parties.

If the Proposed Transaction does not proceed, the Directors consider that the financial resources of the Company will continue to deteriorate due to the expected future losses of the Broking Business and that Tolhurst will have difficulty in continuing to satisfy its liquid capital requirements as an ASX market participant and clearer. Accordingly, if the Proposed Transaction does not proceed, the Directors believe that the most likely outcome is that the Broking Business will need to be wound down to prevent further substantial losses.

1.6 Summary of resolutions required for Proposed Transaction

Resolution 1: Sale of the Broking Business

Resolution 1 seeks Shareholder approval for the sale of the Broking Business, the Company's main undertaking, for the purposes of ASX Listing Rule 11.2.

Resolution 2: Issue of TGL Options

Subject to a number of exceptions, ASX Listing Rule 7.1 provides that a company may not issue securities representing more than 15% of its issued capital over any 12 month period without the approval of its shareholders.

The Company, by issuing the TGL Options, will be reducing its ability to issue capital without shareholder approval in the next 12 months and, accordingly, is seeking Shareholder approval to comply with ASX Listing Rule 7.1.

Resolution 2 seeks Shareholder approval for the issue of 25,222,172 TGL Options under Listing Rule 7.1.

Resolution 3: Change of Company name

It is proposed that, once the Company's Broking Business has merged with Patersons, the expanded business use the name Patersons Securities Limited (incorporating Tolhurst and William Noall Stockbrokers). Accordingly, it is proposed that the Company changes its name from Tolhurst Group Limited to Robe Australia Limited from the Completion Date.

If a company wants to change its name, it must pass a special resolution adopting the new name in accordance with section 157 of the Corporations Act.

Accordingly, for the change of name to be approved, at least 75% of Shareholders present at the Meeting must vote in favour of Resolution 3.

1.7 Required information for issue of TGL Options

ASX Listing Rule 7.3 sets out the information which must be included in a notice of meeting proposing an approval under ASX Listing Rule 7.1. For the purposes of ASX Listing Rule 7.1, the following information is provided in relation to Resolution 2:

1. The maximum number of securities to be granted by the Company to Patersons under Resolution 2 is 25,222,172 TGL Options.
2. The TGL Options will be allotted and issued on the Completion Date, but in any event, will be issued no later than 3 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rule).
3. The TGL Options will be issued to Patersons as part of the Proposed Transaction, but for nil cash consideration.
4. The TGL Options will be issued on the following terms:
 - Each TGL Option will have an exercise price of 7.5 cents and must be exercised within 24 months of the Completion Date.

- Each TGL Option entitles the holder to subscribe for one Share at the exercise price.
 - All Shares allotted upon exercise of the TGL Options rank equally in all respects with Shares previously issued.
 - If the Company reorganises its share capital in any way (including consolidation, subdivision, reduction, cancellation or return) while the TGL Options are on issue, in respect of those TGL Options, the issue price and/or the number of Shares issued on exercise of the TGL Options will be adjusted by the Company to the extent necessary to comply with the applicable ASX Listing Rules governing reorganisations in force at the time of the reorganisation.
5. The allottee of the TGL Options is Patersons Securities Limited ACN 008 896 311 or its nominee.
6. No funds will be raised by the issue of the TGL Options.

Glossary

In this Notice and Explanatory Statement:

ASX means ASX Limited ACN 008 624 691 or, as the context requires, the market operated by it;

ASX Listing Rules means the listing rules of ASX;

Board means the board of Directors;

Broking Business means the stockbroking and arbitrage business conducted by Tolhurst;

ComCorp means Community & Corporate Financial Services Pty Ltd ACN 079 121 136;

Company or **TGL** means Tolhurst Group Limited ACN 007 870 760;

Completion means the completion of the sale of the Broking Business to Patersons;

Completion Date means the date on which Completion occurs;

Consideration Shares means the fully paid shares to be issued to the Company by Patersons in consideration for the purchase of the Broking Business from Tolhurst;

Constitution means the constitution of the Company;

Corporations Act means the *Corporations Act 2001* (Cth);

Directors mean the directors of the Company from time to time;

Explanatory Statement means the explanatory statement which accompanies, and is incorporated as part of, the Notice;

Meeting means the meeting of the shareholders of the Company to be held on 27 March 2009;

Notice or **Notice of Meeting** means this Notice of Meeting dated 25 February 2009;

TGL Options means the right but not the obligation to subscribe for fully paid shares in the capital of the Company at 7.5 cents per Share;

Patersons means Patersons Securities Limited ACN 008 896 311;

Proposed Transaction has the meaning given to that term in section 1.1 of the Notice;

PSL Options means the Patersons options to be issued to the Company under the terms set out in section 1.2 of the Notice;

Shareholder means a holder of Shares;

Shares means fully paid ordinary shares in the capital of the Company;

Subscription Shares has the meaning given to that term in section 1.3 of the Notice;

TGL Options has the meaning given to that term in section 1.3;

TIFL means Tolhurst Interfinancial Limited ACN 010 740 342;

Tolhurst means Tolhurst Ltd ACN 003 237 536; and

Tolhurst Advisors means brokers who provide client advisory services on behalf of Tolhurst.

Tolhurst Group Limited

ACN 007 870 760

PROXY FORM

The Company Secretary
Tolhurst Group Limited
Level 15, 333 Collins Street
MELBOURNE VIC 3000

Facsimile: +61 3 9655 7250

I/We _____

of _____

being a member/(s) of Tolhurst Group Limited (the "**Company**"),

hereby appoint _____

of _____

or in his/her absence _____

of _____

or, in the absence of those persons or if no person is nominated, the Chairman of the meeting as my/our proxy to vote for me/us and on my/our behalf at the Meeting of the Company to be held at Level 15, 333 Collins Street, Melbourne, Victoria, 3000 on Friday, 27 March 2009 and at any adjournment of that meeting.

If you wish to direct your proxy how to vote, please tick the boxes below as appropriate. If no directions are given, your proxy may vote or abstain as he or she thinks fit.

If the Chairman is appointed as your proxy, or is appointed by default, he intends to vote all undirected proxies in favour of each resolution.

If by power of attorney:

SIGNED for and on behalf of)
by)
under a Power of Attorney dated)
and who declares that he/she has not)
received any revocation of such Power of)
Attorney in the presence of :

Signature of Attorney

Signature of Witness

Notes:

Shareholders entitled to attend and vote at the Meeting are entitled to appoint a proxy. The proxy may be an individual or a body corporate.

A Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointment does not specify the proportion or number of the Shareholder's votes such proxy may exercise, each proxy may exercise half of the votes disregarding fractions.

For an appointment of proxy to be valid, the form appointing the proxy and, if the form is signed under a power of attorney or other authority, the authority under which the form is signed (or a certified copy of the authority) must be received at or sent by facsimile transmission to the registered office of the Company at Level 15, 333 Collins Street Melbourne, Victoria, 3000 or facsimile number (+61 3) 9655 7250, at least 48 hours prior to the meeting or adjourned meeting, as the case may be, at which the proxy named in the proxy form proposes to vote.

A proxy must be signed by the Shareholder or the Shareholder's attorney duly authorised in writing or, if the Shareholder is a company, in a manner permitted by the Corporations Act. The proxy may, but need not, be a Shareholder of the Company.

A proxy form accompanies this Notice of Meeting. Additional proxy forms are available on request from the registered office of the Company or its share registrar.