



**Pambula & District
Community Development Limited**

ABN 27 128 796 458

Annual Report 2010

**Annual General Meeting
Monday 29th November, 2010
7.00pm**

**Garden Room
Pambula Merimbula Golf Club**

Notice of Annual General Meeting
Pambula & District Community Development Ltd
A.B.N. 27 128 796 458

To be held at 7.00pm on Monday 29/11/2010
Garden Room, Pambula Merimbula Golf Club

Ordinary Business

1. Receipt of Annual Report

To receive the Company's Financial Report, the Directors' Report, Auditor's Report, Chairman's report, manager's report and report from BABL regional manager for the year ended 30 June 2010.

2. Election of directors

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

- a. That Mr. Russell Fitzpatrick be elected as a director of the board.
- b. That Mrs. Alicia McDowell be elected as a director of the board.
- c. That Mr. Warren Richter be elected as a director of the board.
- d. That Mr. Lyndon Lewis be elected as a director of the board.
- e. That Mr. John Hanley, has for personal reasons resigned as a director of the company, effective 6th September 2010, and does not seek re election.
- f. That Mr. Darryl Watts has resigned his position as a director of the board, effective 29th November 2010 and does not seek re election.
- g. That Mr. Graham Roberts has resigned his position as a director of the board, effective 29th November 2010 and does not seek re election.

3. Attending the meeting

All shareholders may attend the Annual General Meeting.

Joint holders: In the case of joint shareholders, all holders may attend the meeting. If only one holder attends (including by proxy), that shareholder may vote at the meeting as if that holder were solely entitled to the shares. If more than one joint holder is present (including by proxy), the joint holder whose name appears first in the register may vote.

Corporate shareholder: A corporate shareholder may appoint one or more persons to act as its representative under section 250D of the Corporations Act, but only one representative may exercise the corporate shareholder's powers at any one time. The Company requires written evidence of a representative's appointment to be given to the Company before the Meeting.

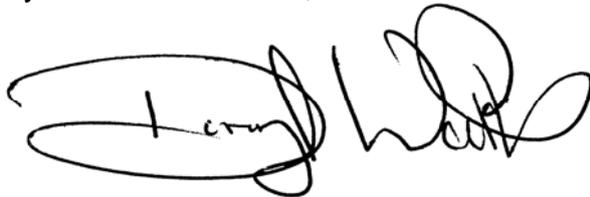
Proxy: If you are unable to attend the Meeting, you are entitled to appoint a proxy to attend and vote. See the enclosed Proxy Form for information on appointing a proxy.

Voting rights

Each shareholder is entitled to **one** vote.

For the purposes of voting at the Meeting, shares will be taken to be held by the persons who are registered as members as at 5.00pm on Monday 29/11/10.

By order of the board,

A handwritten signature in black ink, appearing to read 'Darryl Watts', written over a horizontal line.

Darryl Watts
Company Secretary
7/10/10

Explanatory Notes

The following information has been included to assist you in making an informed decision about the resolutions proposed at the meeting.

Agenda item 2: Election of directors

- a. **Lyndon Lewis**, having been appointed by the board since the last annual general meeting, retires in accordance with constitution, and being eligible, offers himself for re election. Lyndon brings to the board a wealth of business experience and skills, having run his own businesses.
- b. **John Hanley** has resigned his position as a director of company, effective September 6th 2010. John does not seek re election, and on behalf of the shareholders the board wishes to express their thanks to John for a job well done. John was involved with bank project from its inception, serving as a steering committee member, director, as well as assisting the drive and direction of the bank. He will remain as part of the support group "Friends of the Pambula Community Bank".

- c. **Graham Roberts** retires by rotation in accordance with the company 's constitution. Graham does not seek re election. Graham has been involved with the bank project since it's inception and has held the positions of steering committee member, director, public officer, share trading administrator and has been a force in developing the operating strategies of the company. The board on behalf of shareholders wishes to express their thanks to Graham for a job very well done. Graham will also remain as part of the support group "Friends of the Pambula Community Bank".
- d. **Darryl Watts** retires by rotation in accordance with the company's constitution. Darryl does not seek re election. Darryl has been involved with the bank project since its inception serving as a steering committee member, director and inaugural company secretary; he also has been a force in developing the operating strategies and direction of company and bank. The board on behalf of the shareholders wishes to express their thanks for a job well done. Darryl also will remain as part of the support group "Friends of the Pambula Community Bank".
- e. **Alicia McDowell**, having been appointed by the board since the last Annual General Meeting as a provisional director subject to normal directorship checks, retires in accordance with the constitution of the company, and being eligible offers herself for re election. Alicia brings to the board a range of skills and expertise that will enhance board performance.
- f. **Warren Richter**, having been appointed to the board since the last Annual General Meeting as a provisional director subject to normal directorship checks, retires in accordance with the constitution of the company and being eligible offers himself for re election. Warren brings to the board the skills acquired as a business owner and a desire to make a difference.
- g. **Russell Fitzpatrick**, having been appointed by the board since the last Annual General Meeting as a provisional director, subject to normal directorship checks, retires in accordance with the constitution of the company, and being eligible offers himself for re election. Russell brings to the board a strong and diverse range of contacts across the spectrum of community and sporting groups, business skills, and is currently a serving alderman on the Bega Valley Shire Council.

Current Board of Directors

Wayne Matthews (chairman)
Colin Dunn (treasurer)
Darryl Watts (company secretary)
Graham Roberts (public officer/share trading)
Peter Spinks (sponsorship)
Robin Savage
Lyndon Lewis
Alicia McDowell
Warren Richter
Russell Fitzpatrick

Additional item 1 - Obtaining Copies of the Annual Report

Shareholders are advised that from the 1/12/10, electronic copies of the Annual Report will be available to be downloaded from the Pambula bank website, www.pambulabank.com

Should you no longer wish to receive a hard copy next year in the mail please advise the following and we will cease to send hard copy.

The Company Secretary
Pambula & District Community Development Ltd
PO Box 251, Pambula NSW, 2549.

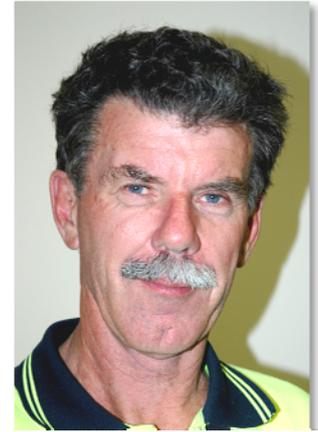
This action of opting not to receive a hard copy of AGM report represents savings in operational costs for your company.

Additional item 2 - Sponsorship presentations

Following completion of AGM business there will be a presentation of sponsorship cheques to those successful community groups applying for sponsorship.

Chairman's Report

On behalf of your Board and myself, I would like to welcome you to our Annual General Meeting. Banking business at our Pambula Community Bank Branch has continued to grow thanks to our manager Kim and her staff. We now have over \$35 million in banking business on our books, consisting of deposits and loans under management. We are due to reach our trading break-even point in the not too distant future, which is in line with our projections in the prospectus.



During the last two years our Community Bank has put over \$43,000 into our community in the form of sponsorships. These sponsorships come from a fund set-up by Bendigo and Adelaide Bank Limited to help Community Banks get the message out about supporting communities.

We have had a few changes on the Board over the last 12 months. John Hanley our Deputy Chairman has retired and Darryl Watts our Company Secretary and Graham Roberts our Public Officer, will be retiring at the AGM. John, Darryl and Graham have been involved with the Pambula Community Bank project since the very early days including the steering committee. We have a number of new Directors on our Board. I would like to welcome Alicia McDowell, Lyndon Lewis, Warren Richter and Russell Fitzpatrick.

We are always looking for new directors so if you wish to help your community in a very rewarding way why not join us?

We appointed an independent outsider to conduct an audit on our performance as a board and myself as chairman. The results that came back were very pleasing; there were a couple of areas we need to improve on. The Directors of your Community Bank company receive no remuneration, except out of pocket expenses for the day-to-day running of the company.

Our Branch manager Kim and her staff are settling down well. Proof of this is they were justifiably declared winners in their category in the recent Outstanding Business Awards competition in the Merimbula and Pambula areas.

Kim has worked very hard to put our community bank into the financial position we are now in. Readers of our local newspaper will have noticed that there is something about our bank in most editions.

We as a Board have been looking at ways to grow the business. We have had signs erected at both highway entrances to Pambula, letting people know about our bank and the ATM.

We have, with the assistance of BABL, been looking at options for putting another ATM machine in the area. We have looked at the viability of an Agency or a Branch at the new supermarket complex at Tura Beach. The Board decided that the cost far outweighed the return at this point. Once we become more profitable we may explore these options again.

We have been in discussion with a number of people who, with our help, are keen to set up in Eden. During the coming year we will be exploring joint venture projects with other like-minded organisations, so if you have any ideas for meaningful projects please talk to us.

We are working hard to educate people that we wish to be known as Pambula & District Community Bank, not Bendigo Bank.

Finally I would like to thank the staff from BABL for the support given to our Manager and staff at our Community Bank Branch, especially Dion Christie our regional manager for his support not only to the Branch staff but also to the board.

To my fellow Directors, thank you for your support throughout the last 12 months and also for your contribution to the local community.



Wayne Matthews
Chairman

Manager's Address

Our 2 year trading anniversary is fast approaching and business levels are most encouraging. We are now operating in an almost break-even financial situation which is satisfying for both Board members and staff alike and is also a positive indication for our Community Bank shareholders. Without our shareholders there would be no business, although shareholders only make up approximately 55% of our business base, so it stands to reason that if more of our shareholders bank with us, the level of business, and our customer base overall would broaden significantly. As Branch Manager, I would like to see 100% of shareholders banking with us, so if you are not already a customer please let us know what we need to do to win your business. As at 3/10/2010 our business stood at \$34,955,383 and accounts held totalled 1562 so things are certainly heading in the right direction.



The team we have on board in the branch all work well together and show a genuine interest in the Community we all live in. Even though there was some instability in the early days with some staffing changes, the team now recognises what is required to make a success out of this Community Bank and is focused on achieving goals to better both the business and the Community.

Levels of customer satisfaction within Bendigo & Adelaide Bank, and indeed within our branch, remain high. Around Australia, Bendigo & Adelaide Bank boast the highest rating out of any financial institution within Australia and this is something that we, the staff of Pambula & District Community Bank, hold in high regard. It is the exceptional customer service we provide and deliver which makes us different from our competitors, complementing our vast range of products and services to suit any needs, both business and personal. When our team won the local outstanding business award in September in the financial, professional and real estate category, it was great for the team to be recognised for our consistent efforts, although it really forms part of the job criteria and is why we all enjoy working for our Community Bank.

The year ahead is an exciting prospect and the business will continue to forge ahead in leaps and bounds. The message remains the same, the more business on our books means the more goes back to local Community causes via sponsorships, and in the future grants. Everyone connected to the Community Bank are all really proud to have returned over \$45,000 - back to local Community causes before our 2nd birthday. If this is any indication of the support we are going to provide in the future, it is most encouraging.

A wholehearted thank you to all of our customers and shareholders who are supporting us and receiving the service they deserve. Without you our business would not be here and would not be in a break-even financial position. Thank you to the Board of Directors, both past and present, for their continued support at all levels. Thank you also to our Regional Manager based in Canberra, Dion Christie, who attends all Board meetings and never complains about the travelling. Finally a big thank you to all Bendigo & Adelaide Bank staff for their on-going support and assistance provided on a daily basis.

Have a wonderful Christmas and all the best for the New Year, 2011.

A handwritten signature in black ink, appearing to read 'Kim Stevenson', with a stylized, cursive script.

Kim Stevenson
Branch Manager

TRADING IN PAMBULA AND DISTRICT COMMUNITY DEVELOPMENT LIMITED SHARES

Company Shares can be freely traded between persons wishing to buy and sell shares. The buyers and sellers must determine the price per share. Buyers must have a connection with the Pambula District and there is a restriction on the total number of shares owned by any person. The Board must approve all transfers.

We operate what is commonly called a "Notice Board" system to enable people to either sell or buy our Company Shares. Potential buyers and sellers must register their details with the company by completing a "Registration Of Interest to Buy or Sell Pambula and District Community Development Limited Shares", and will be allocated an identification number (ID).

Details such as ID number, preferred share price and number of shares (see below) will be displayed on our Company web sites and on the notice board in the Pambula Community Bank® Branch. These lists will be updated as necessary.

Registered buyers and sellers will be given contact details of other registered buyers and sellers to enable them to negotiate a trade. Larger parcels can be split up into smaller parcels as agreed between buyers and sellers, subject to the minimum allowable parcel size of 500 shares.

After agreeing on a trade, the buyer and seller can complete the transfer themselves or seek help from a company officer. NSW State Stamp Duty is payable on trades at the rate of 60 cents per \$100 or part thereof, with a minimum duty of \$10.

Forms such as the "Registration of Interest to buy and sell shares" and the "Standard Transfer Form" can be downloaded from our two web sites, collected from the Pambula Bank Branch or sent by mail. Completed forms must be lodged with the company by leaving at the Pambula Community Bank® Branch or by mail to PO Box 251, Pambula, NSW 2549.

Company websites, which are still under development, are www.pambulabank.com and www.bendigobank.com.au/pambula

SELLERS currently registered. 1-11-10	Parcel	Min. Sale Price (per Share)		ID.	Interest lodged
	23,000	\$1-00			1
5,000	\$1-00			2	17-8-09
2,000	\$1-00			4	12-11-09
1,000	\$0-90	Trade being processed		5	22-3-10
1,000	\$0-90	Trade being processed		6	26-3-10
1,000	\$1-00			8	27-5-10
500	\$1-00			9	14-7-10
1,000	\$1-00	Trade being processed		10	5-6-10
500	\$1-00			13	15-10-10
1,000	\$1-00			14	19-10-10

BUYERS currently registered. 1-11-10	Parcel	Max. Sale Price (per Share)		ID.	Interest lodged
	1000	\$1-00	Trade being processed		11
500	\$0-90	Trade being processed		12	19-10-10
1,500	\$0-90	Trade being processed		15	26-10-10

TRADING HISTORY The most recent completed trades.	Date	Parcel	Price paid per share	Seller ID	Buyer ID
	18-9-09	2,000	\$1-00	1	3
	29-4-10	5,000	\$1-00	1	7

Graham Roberts, Public Officer

Guest Speaker - Dion Christie Bendigo Bank Regional Manager



Well, it was another successful year for community bank openings across Australia with 22 (up from 20 the previous year) opening their doors in 2009/10 financial year. As at 30th June this took the total number of community bank sites to 259 in 09/10. As at the time of writing, this number stands at 265.

With support from communities such as yours, total holdings reached \$17.8 billion in 09/10. To date, almost \$15 million has been paid in dividends to more than 64,000 local shareholders. So you, as shareholders and customers, have a direct impact on the sustainability of your community when you bank with your community bank. Your contribution - an increase of \$11.4m in deposit/lending growth with over 1,300 accounts opened during the year.

Last year I spoke about tough times and negative press as a result of the Global Financial Crises (GFC). Whilst the GFC wave is now receding we still see the odd piece of negative press. So what do I say to negative press?

- In many instances the community bank marks the return of banking to a town.
- Up to 80% of profits go back to the community (grants etc, dividends).
- The average dividend paid by community banks (over 8 years old) is 8c, fully franked - \$1 share purchase.
- 90% of community banks have positive net equity. Of the other 10%, one in three are less than 3 years old and 50% are affected by drought.
- In some cases capital is exhausted and a CB will move into an overdraft situation. But, this happens to plenty of small businesses. The difference here is that the CB in this instance gets the full support of Bendigo Bank.

With 547,000 CB customers and a No. 1 rating for customer satisfaction, through Choice magazine, we maintain we have a winning model. Negative press also fails to discuss;

- Bendigo's 60% increase in net profit last year – up to \$277m after tax.
- The 11,000 new customers we attract each month.
- 65 CB campaigns underway across the country.
- \$40m in community contributions from the CB network.

The bank's performance is evidence of its strong low-risk balance sheet, staff dedication and the resilience of its business units through the GFC. This is a great reflection of the support we receive from a large and loyal customer base such as yours.

The bank remains cautiously optimistic about future financial performance and expects to deliver strong results in this reporting period. We do however remain very optimistic about the performance of your branch and believe you will achieve break-even within the next couple of months – a good 6-9 months ahead of original expectations.

Bendigo Bank participates in the development of community banking with an enormous sense of pride and we are very privileged to be your partner.

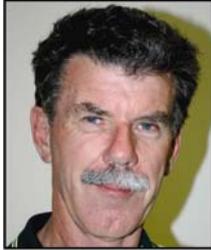
So thank you for the opportunity to be here tonight and for your continued support. A big thank you must also go to the volunteer directors and staff at the branch for their drive and determination to see this venture succeed.

Thank you.

A handwritten signature in black ink, appearing to read 'Dion Christie', written over a faint, circular outline.

Dion Christie
Regional Manager, Bendigo Bank

Directors



Name
Wayne Robert Matthews
Date of Birth
17 January 1950
Occupation
Director
Background Information
Wayne was born in Warragul, Victoria. He joined the Royal Australian Navy in 1966 and was discharged in 1973. He saw active service in Vietnam in 1969. He spent the next 17 years in the Army Reserve, where he finished as a Commissioned Officer. Wayne has started a number of businesses and is currently in the process of redeveloping a caravan park. Wayne is still a director of a number of companies.

Resides 47 Greenpoint Road,
Pambula NSW 2549



Name
Colin Dunn
Date of Birth
16 July 1944
Occupation
Semi - Retired
Background Information
Colin is currently a semi-retired enterprise consultant and researcher and spends a good

portion of his spare time working on community/volunteer projects, in particular those associated with the Rotary Club of Pambula. Colin has a degree in economics and commerce from the University of Melbourne, is a trained teacher/facilitator and a Certified Practising Accountant. His recent substantive work experience (2000 to 2006) has been as an academic (Senior Lecturer and Program Coordinator in the School of Management) at RMIT University in Melbourne. Prior to 2000 he: managed a Victorian Government Youth at Risk Program; managed a national enterprise education program project for the Federal Government (in Melbourne); managed the Federal Government's Enterprise Education Program in Canberra; was deputy principal a senior secondary college in Canberra; and, prior to this, had a long career as a practising teacher in Australian and English private and public schools. He also was part owner/manager of a Victorian country restaurant (1980 to 1983).



Name
Darryl Watts
Date of Birth
1 March 1948
Occupation
Semi Retired Business Executive
Background Information
Daryl is a semi-retired business executive, with over 32 years management experience across

the total management range. He has worked for a number of major companies including Woolworths, Harris Farm Markets and was a General Manager in Victoria and South Australia for Metcash Distribution. Darryl is a past member of IGA state & national boards and a former Fellow of the Australian Institute of Management. Darryl and his wife a permanent residents of Pambula.

Resides 284 Oaklands Road,
Pambula NSW 2549



Name
Graham Roberts
Date of Birth
23 May 1934
Occupation
Retired
Background Information
Graham was born and educated in the United Kingdom and spent two years with the Royal Air

Force, serving in Malaya. Graham married Maureen and they moved to Australia in 1963. They have two children and moved to Pambula in 1999. Graham spent most of his life as an electrical inspector and holds an electrical contractors licence. Graham served on the internal audit committee and as a director of the Blaxland Community Credit Union. six years as treasurer of an organic growers group and is the current treasurer of the Pambula Area Progress Association.

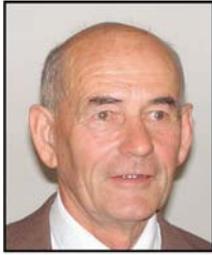
Resides 500 Oaklands Road,
Pambula NSW 2549



Name
Peter Julian Spinks
Date of Birth
24 February 1969
Occupation
Self Employed,
Carbon Copy Printing
Background Information
Peter grew up in Melbourne before moving to Pambula in

1995. His business provides printing and copying services to the local community, as well as local employment. The business has been very active with sponsorships and donations over the years. Peter was also a member of the Sapphire Rock Festival Committee, raising money for the Pambula Pool project. Peter lives with his wife Kathleen in Lochiel with their 3 children.

Resides 734 Mt Darragh Road,
Lochiel NSW 2549



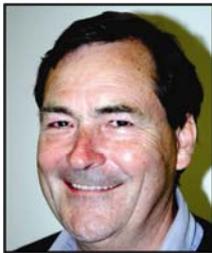
Name
Robin Barry Savage
Date of Birth
11 August 1943
Occupation
Self Employed
Background Information
Robin was employed in the communication field for 38 years and held a number of positions including supervisor, personnel and sales. He moved to Pambula in the late 1970's where he held positions on the Pambula Show Committee for a number of years. Robin owned and operated a production plant nursery and is presently setting up a cleaning and washing detergent manufacturing business. Robin graduated from Sydney University with an Advanced Diploma in Horticulture and has been a resident of Pambula for the last 31 years.

Resides 11 Short Street
South Pambula NSW 2549



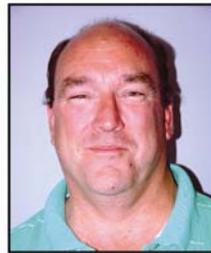
Name
Alicia Jane McDowell
Date of Birth
17 February 1973
Occupation
Auswide Projects & Mother of 3
Background Information
Alicia and her husband moved here from Sydney four years ago for a lifestyle change for their young family. They were the original owners of the Limetree Cafe in Merimbula. Before moving, Alicia held positions for the Department of Human Services and the Department of the Senate. She holds a BA in Psychology and a Diploma of Community Services (Welfare). When she is not running around after her children she enjoys playing soccer, gardening or cooking. She also recently completed a Certificate III in Commercial Cookery at Bega TAFE.

Resides 25 Bucket Lane,
Millingandi NSW 2549



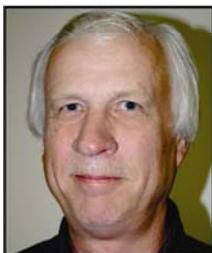
Name
Warren Edwin Richter
Date of Birth
25 August 1949
Occupation
Semi-Retired
Background Information
Warren spent the first two thirds of his working career in the Commonwealth public service and was a senior executive in several government agencies. He left the public service in 2000 to join a Melbourne software company and became the CEO of the company in 2001. During his 6 years as CEO the company grew rapidly and became well recognised internationally as a leader in the field of large-scale analytical processing. Warren was an infantry officer in the Australian Army Reserve in the early eighties. He has Bachelor of Economics and Master of Science degrees.

Resides 22 Dilkera Road,
Tathra NSW 2550



Name
Russell John Fitzpatrick
Date of Birth
12 September 1957
Occupation
Manager
Background Information
Russell was born in Pambula and went to school at Pambula Primary and Eden High. He spent 20 years working for the National Australia Bank after joining the bank in Pambula. He reached senior management level with the bank before leaving and purchasing his own business. He is currently a counsellor on the Bega Valley Shire Council, Chairman of Group 16 Rugby League, committee member of Save Our Hospital Inc. and Life Member of Merimbula/Pambula Minor Rugby League Club.

Resides 109 Yowaka River Road,
Grieg's Flat NSW 2549



Name
Lyndon Daryl Lewis
Date of Birth
18 March 1950
Occupation
Semi-Retired Business Owner
Background Information
Lyndon is married to Karen and has lived in Merimbula for 8 years. They have two married daughters. Lyndon served in the army for 3 years, after which he became involved with the design, development and sales of aluminium extrusions. For the past 15 years, Lyndon has been the owner and operator of Capital Aluminium and Director of LKL Holdings P/L. He also heads up one of Melbourne's most successful classic 50's Rock 'n' Roll bands.

Resides 16 Monaro Street,
Merimbula NSW 2549

Sponsorship Report

It has been a very exciting two years since the bank first opened. So far our Community Bank has put \$43,661 back into our community in the form of sponsorships. These sponsorships come from a fund called the Market Development Fund, set up by Bendigo and Adelaide Bank Limited to help Community Banks make valuable contributions to the local community right from the start.

Recipients of funding to date

Pambula Surf Lifesaving Club
Pambula Public School P&C Association
Sapphire Aquatic Centre
Footprint Theatre Inc.
Sapphire Coast Historic Vehicle Club
Potoroo Palace
Pambula Chamber of Commerce & Associates
Pambula Rural Fire Brigade
Far South Coast Dragonboat Club
Pambula Cricket Club Inc.
Bega-Tathra Mini Soccer Club
Merimbula 1st Scouts
Pambula AH & P Society
Sapphire Coast Concert Band
Bega Valley Genealogy Society
Pambula Pony Club
Sapphire Coast Anglican College, Pambula
Pambula Australian Football Club Inc. (Panthers)
Tathra Minor Rugby League
Imlay House Opportunity Shop, Pambula
Merimbula Pambula Senior Rugby League Football Club (Bulldogs)
Pambula Village Community Garden Inc.
PAPPA / Pambula Area Landcare Group
Bega District Hospital
Sapphire Coast Netball Association
Merimbula Pelican Junior Guides
Merimbula & District Arts Group
Rotary Club of Pambula
W.I.R.E.S.

As business on the books continues to grow and as we near imminent profitability, the amount of sponsorship available to our community will only grow and grow. Over the coming years we will be giving more and more sponsorships to local community groups, and the more the local community supports our bank, the higher this amount will be. So if you have more banking business that you can bring over, please consider doing it soon.

Peter Spinks
Sponsorship & Marketing Committee

Proxy Form

Pambula & District Community Development Ltd

ABN 27 128 796 458
November 25th, 2009

All correspondence to

Pambula & District Community Development Ltd
PO Box 251, Pambula , 2549, NSW
Enquiries: 02 6495 6382
Fax: 02 6495 7782

Member:

Address:

State:

Postcode:

X

Mark this box with an 'x' if you have made any changes to your address details

Appointment of proxy

I/We being a member/s of Pambula & District Community Development Limited and entitled to attend and vote appoint the person named below or, if no person is named below, the Chairman of the Meeting as my/our proxy to vote in accordance with directions set out below (with a discretion as to any business not referred to below) or, if no directions are given, as my/our proxy sees fit, at the Annual General Meeting of the Company to be held at [location], [town] on [date] at [time] and at any adjournment of that meeting.

X

the Chairman of the Meeting (mark with an 'X')

OR

Write here the name of the person you are appointing if this person is **someone other than** the Chairman of the Meeting.

Voting directions to your proxy – please mark

X

to indicate your directions

Ordinary Business

Item 1. Receipt of financial report/ Directors reports

Item 2. Confirmation of existing directors

Item 3. Confirmation of auditor

For	Against	Abstain*
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in working out the required majority on a poll.

PLEASE SIGN HERE

This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Shareholder 1

**Sole Director and
Sole Company Secretary**

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

How to complete the Proxy Form

1 Your name and address

This is your name and address as it appears on the company's share register. If this information is incorrect, please mark the box and make the correction on the form. **Please note, you cannot change ownership of your shares using this form.**

2 Appointment of a proxy

A member entitled to attend and vote at the Meeting may appoint one proxy. A proxy need not be a member of the Company.

3 Identity of proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, the Chairman of the Meeting will act as your proxy.

4 Voting instructions

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

5 Signing instructions

The Proxy Form must be signed in the spaces provided.

Individual: If the holding is in one name, the holder must sign.

Joint Holding: If the holding is in more than one name, any one holder may sign.

Power of Attorney: To sign under power of attorney, you must have already lodged this document with the Company or attach a certified copy of the power of attorney to this form when you return it.

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

If a representative of the Company is to attend the meeting, the appropriate "Certificate of Appointment of Corporate Representative" must be produced before admission to the meeting.

Lodging instructions

This Proxy Form (and any power of attorney under which it is signed) must be received by the Company not later than 48 hours before the meeting (ie by 5.00 p.m. on 20/11/09). Any Proxy Form received after that time will not be valid for the scheduled meeting. Documents may be lodged in any of the following ways.

- By post or hand delivery to the Company's registered office at 55a Toalla Street, Pambula NSW 2549
- By facsimile to 02 6495 7782